Vol. II

TRANSCRIPT OF RECORD

Supreme Court of the United States

OCTOBER TERM, 1931

No. 568

THE UNITED STATES OF AMERICA, APPELLANT,

vs.

SWIFT & COMPANY ET AL.

No. 569

AMERICAN WHOLESALE GROCERS ASSOCIATION ET AL., APPELLANTS,

vs.

SWIFT & COMPANY ET AL.

No. 570

NATIONAL WHOLESALE GROCERS ASSOCIATION, APPELLANT,

vs.

SWIFT & COMPANY ET AL.

APPEALS FROM THE SUPREME COURT OF THE DISTRICT OF COLUMBIA

FILED DECEMBER 10, 1931

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[fol. 1080] It is expressly stipulated that the facts hereinabove set forth shall be received as evidence adduced by the petitioning defendants with the same force and effect as if put in evidence in this hearing by witnesses and documents, as indicated herein; provided, that the United States and the American Wholesale Grocers' Association and the National Wholesale Grocers' Association do not hereby admit the materiality of said facts; and provided further, that the right is hereby expressly reserved to the United States, and the American Wholesale Grocers' Association, and to the National Wholesale Grocers' Association, or any one of them, to produce testimony on the subjects of this stipulation in explanation of, supplementary to, or controverting, any of the facts stated herein.

[fol. 1081] (62) F. EDSON WHITE, President, Armour & Company, Chicago, testified:

1865 I have been in the packing business since 1891, with Armour & Company since 1895, and President since 1923. I am not affiliated with any other packing company except Armour and its subsidiaries. The meatpacking business opens with the reports of receipts of
1866 livestock at the terminal markets. All packing companies have facilities to gather that data and predicated upon what that evidence shows of the supply of animals available, plus what the situation is with respect to the merchandising of the product, the orders are placed throughout the organization for the purchase of animals. The livestock is bought in competition with a great number of other concerns who do a smaller business, and one that does a somewhat larger business similar to that of Armour & Company. Competition is very active. The market is very quick, and a difference in price as small as five cents a hundred pounds will frequently determine the sale of car lots or even train loads of livestock.
1867 These animals are bought and paid for and weighed all in the business day of the stock yard. Cash is paid on the morning after the purchase for such animals as have not been paid for during the day of purchase. Frequently, the weighing and the accounting is not

done in time to get through the banks and through the offices the checks on the same day. But there is a very large part of it paid for immediately after the tickets are registered at the scales and the bills can be made out.

In fact, in order to expedite the business, they do not go to the extent of making bills. The scale ticket itself, properly stamped and recorded by the scale master is evidence of a bill and is used as a check, and used as a bill going through the banks of the stockyard companies.

[fol. 1082] The history of this business has taught the livestock owner that when his animal leaves home it must find the shambles just as quickly as possible.

1874-75 The great bulk of livestock is sold the day it arrives, and seldom is any carried into the second day. It is not practicable for the shipper, if dissatisfied with the market, to ship it back to the ranges or farms, because of shrinkage in weight in transit and doubling or tripling of freight costs—losses that are beyond possibility of recovery. The shipper might try more than one market, if one is on the way to the other, for instance, Omaha on the way to Chicago; but if the Omaha price was not satisfactory he would certainly sell at Chi-

1909 cago. For these reasons it is practically prohibitive to withdraw any livestock left over at the market at

1910 the end of the day; and if there is a surplus at the end of the day after the market finally finds a resting place in the ideas of value between the seller and the buyer, then the stuff is cleaned up by the big packer. This is not always, nor, would I say, usually, at lower prices than have prevailed during the day; nor is it a matter of kindheartedness toward the producer. We have to meet the competitive situation and do not pay more than we have to pay for this livestock.

1876 Much livestock raised in its early life on the range, for instance, in Texas, is moved northward into the corn belt and sold on the public markets to farmers for further feeding and fattening. This may take from 30 days to three months more, or even up to a year. Such animals fresh from the range, "stockers" as they are called, are not fit for slaughtering and are not in

1875 competition for packer purchase. The next step in the development of the life of the animal from being a stocker is to what is known as a feeder. The

difference is that the animal is nearer maturity as a feeder.

1932 There is a stage in the physical development of livestock where it reached maturity and beyond which it will not increase in value in proportion to its continuing costs of maintenance. Within that fairly narrow time it must be marketed, if it is to be marketed to the [fol. 1083] advantage of the producer. What that range of time is depends entirely upon the condition of the beef animal when sent to the feed lot.

1934 A feeder may hold cattle 30 to 40 days after they should have gone to market without hurting them; 1933 or, on the other hand, after they reach the ripening stage, they may become overripe in three or four days. A mature animal is like a plucked rose. The bloom is on it; it is there and it is getting fat from then 1934 on. The more the farmer keeps it, the more he is out of pocket. This applies particularly to feed cattle. Range cattle can be held any time and any place without harm, so long as they are fed.

1877 Ninety-nine per cent of the livestock movement is from the west toward the east. Armour owns no interest in any cattle or stock cars.

1867 After purchase by the packer, the animals are killed in large measure within 24 hours, certainly within the second day. From 25% to 40% of the hog, depending upon demand, is sold fresh. The part that is cured takes from 15 to 90 days' processing to get it ready for market.

1868 In the beef, calf, and sheep business the turnover is very prompt and the animal is usually disposed of within 10 days of purchase.

1868 There is a very prompt turn-over in that side of the business and by reason of the perishability of the meat itself, it must move in a continuous flow to the market. There is not any such thing as holding back after the live animal has been slaughtered, more than just momentarily. We might try to hold up a day or two in the shipping of those animals because of congested markets, or for some other reason, but in the main the sheep, calves and beef reach the market and are disposed of within 10 or 11 days from the time they become the property of the packer.

[fol. 1084] In a business the size of Armour's, the plan of selling is through branch-house distribution.

1869 Branches are located in the consuming districts, each with its manager and complete staff, its coolers, and some with processing equipment for curing, smoking, pickling, etc. Branch-house volume will vary all the way from 2 to 20 cars a week.

1870 The branch house orders its meat according to what it considers the immediate and prospective demand.

Unexpected factors project uncertainty into the volume of business that can be anticipated,—for instance, a run of shad up the river at Baltimore or a sudden spell of hot weather at Washington; and this sometimes leaves unduly large shipments on our hands at the branch houses. Such factors interfere with the consumptive demand and yet we have got that flow of product constantly from the live stock producer, with the uncertainties of the live stock market in point of supply, and the uncertainties of the finished market in point of immediate consumptive demand.

1871 Supply is quite as uncertain in our business always as the demand is uncertain. But, in the development of what is known as the national packer, it has been built up, the business has been built up on the theory that he must give the producer a constant and ever ready market for his live animal. Therefore, the situation in the live market today is and has been ever since I can remember, that a man could always find a buyer for his animal. That puts a handicap, probably, on that side of the business, but the result over the years has been that these great businesses were built up on that theory and the producer has been building up his business, because he has had that market. Branch-house wholesaling is done with a crew of salesmen, usually within a radius of 50 miles. Territory beyond this distance from any branch house is usually served by route cars moving two or three times a week on schedule, loaded at the plant in station order [fol. 1085] with products that have been sold by our salesmen to the trade in advance of shipment. The trade in each town knows when to expect the car and depends upon it.

1873 The old practice of peddling goods from the car after its arrival has been discontinued. There is no control of the flow of live stock to the market. The movement of the live stock is entirely in the hands of the producers and so far as control is concerned, he controls his own product. But there is no control in the sense of the movement of the product. That is what brings such an uncertainty into the market. Last week, for in-
1874 stance, we had the greatest kill of sheep or lambs that was ever known in the history of Armour & Co., and yet we did not know the week before that we were going to have more than half the number that did appear and which we slaughtered and sent to market.

1877-8 Armour & Company owns no interest in Swift & Company, Cudahy Packing Company, Wilson & Company, or any of their subsidiaries. There are no agreements between them or any of them with respect to the prices at which finished meat products shall be sold or livestock purchased, or for the depressing of livestock prices or the manipulation of markets either for livestock or meat products; nor are there any such arrangements between Armour & Company or any of its subsidiaries and any other meat-packing concerns, to my knowledge.

1878 In 1923, Armour & Co. acquired the physical properties and assets of Morris & Co. During the war period, we greatly developed our plant capacity and in the shrinkage of business after the war, this great plant was operating on about a 50% capacity. Morris & Co. had had a similar experience. The need for more business to put through this plant was very apparent and the executives of Armour & Co. set about to find ways and means to get it. It was totally impractical to go out and make an endeavor to get or to pick up that business in the competitive field of business. That would be a very, very slow process and might never happen. The only thing to do [fol. 1086] was to buy out a going business and therefore we bought out Morris & Company, to add to, or that
1879 we might better use the facilties of Armour & Co.

1984 In the consolidation of the Armour and Morris business, our purpose of course was to minimize the cost of doing business as much as possible.

1984 In taking over the Morris outfit we found a duplication of facilities, as in towns where both Armour

and Morris had branch houses. In many instances we consolidated these, sometimes under the name of Armour, sometimes under that of Morris. This will explain to some extent the reduction in the number of Armour-Morris branch houses since 1920.

1879 The decrease in the Armour-Morris business since 1920 is due:

First, to the loss of $25,000,000 or $30,000,000 worth of business in unrelated lines which we had to give up on account of the Consent Decree.

Second, to our inability to hold all of the Morris business, in the face of our competitors' drive.

Third, and largest, to our inability to meet the situation we found arising in other lines of business, and in some instances in our own, among our smaller competitors not under our restrictions.

1880 While we have been able to carry on some business in unrelated lines due to suspensions of the Decree from time to time, it has been under the most severe handicaps of uncertainty.

1880 The severe handicaps that I refer to would be the uncertainty of time during which we could continue to handle that product, together with the fact that we were admonished not to stock up on the product and increase our inventories because we might, at any time, receive word that we would have to discontinue the handling of it. Any time we might get an order for a quantity of a certain brand such as California fruit, and the trade hesitated about buying it because of the uncertainty as to whether, after developing that particular brand, we could follow through and replace it.

[fol. 1087] To show the effect of the trend of chain development and the integration of the companies han-

1881 dling food products, upon our business, we must look first at the circumstances of time. First, there has been a constant and pressing need and necessity for shortening the cost of handling everything from the producer to the consumer. That being the back ground in business, the business man has sought ways and means to overcome his distributive costs, and that has developed an integration of businesses. We find that the background of General foods was Postum. Postum was a product to take the place of Coffee, and yet, in the development of General

Foods, with Postum as the background, they are not only selling Postum, but they are selling Coffee, and they are selling forty other articles—Dromedary Dates, Baker's Chocolate and Jello and prepared meat foods, and manufacturing sausage. That is just one development. But we see that development in practically all lines of business.

We see the leather manufacturer, the tanner, manufacturing harness and manufacturing shoes, and then we see him go a step further and retail the product that he is manufacturing.

We see Standard Brands organized. Here is the circumstance of the Fleishman yeast development, a great business meeting the same trade of some other line, and then with the expense of carrying that particular and individual line, they must get something to go on with it, and they add other products, or other things that will meet the requirements of the trade that they are calling on.

1882 The situation there comes back to our business, when we are handicapped by the fact of this restriction. We cannot meet that growing need and that pressure that is met by every other business of reducing [fol. 1088] distributive costs, which means reducing the price which the consumer has to pay.

1922 We consider such food integrators as General Foods Corporation in a very advantageous position, as compared with ourselves, in their ability to reduce fixed distributive costs and overhead by taking on new lines and handling them through the same selling force, the same delivery trucks, and the accounting through the same bookkeepers.

1923 Of course it is true that delivery costs depend on volume and not on the number of different items available to put into the truck, but the weight of other things delivered to a customer, such as a case of canned peaches, a case of canned string beans, a case of asparagus, would be equivalent to the total weight of the meat

1924 items—a box of pork loins, for instance, and a quarter of beef. Of course General Foods does not handle all of these; but if we had those items to go with the meat, we could reduce the fixed delivery charge of that meat 50%. Diversification of product is important only as it goes to the volume of business, as it carries the

overhead and the profit, whatever there is, and minimizes the expense per unit of what you are trying to do.

General Foods is an aggregation of previously existing manufacturing concerns who still continue to manu-
1925-6 facture in the same places. I am not familiar with their method of distribution, whether they ship direct from these factories to points of delivery or concentrate it in one huge warehouse before it is distributed.

1928 I simply mean to say that, if we could increase the volume of deliveries to our normal customers, we could do it at less cost per item. The volume of busi-
[fol. 1089] ness of these food integrators is immaterial. It might be one sixth of ours, yet the margin of profit is what counts. I consider that these integrated com-
1927 panies are in a more advantageous situation than we are, being restricted to dealing in one product going to one line of customers who handle other products but of the same kind meaning food. We handle
1928 several hundred different items but all of them are meat. If we were doing three times the volume of business as is done by integrated food companies, it is true that we have the advantage of reduced economies that come from a large volume of business, but carried out to one thing we might be better off doing a less volume of meat business but a varied volume of business.

1929-30 I do not know that these integrators go into retailing in the sense that we have been talking about, or that they retail to any considerable extent.

In spite of the handicaps imposed upon us by the Consent Decree, we have been able to sell non-meat lines in the last ten years with advantage to ourselves in competition with others who sell them. Otherwise there would be nothing to compel us to continue handling them. We have had a very limited profit out of any part of this business. If these handicaps were removed, we would be able to make it that much more profitable.

1882 The buying power of well organized chain organizations is a very definitely growing thing. The chain store in its development in the last ten years has got itself to a place where in many instances it can dominate the market. It might not dominate it thoroughly as to the definite thing of price, and yet it has a very large

influence on price. But it can dominate it as to terms, as to service, as to package, as to dozens of things. It all means, in the last analysis, added costs to the man who is selling the chain store or something taken out of his selling price.

[fol. 1090] I do not think the chains are able to do this more so with us than with other packers. I think they use it with everybody, large and small alike; but I do
1953 not contend that it is any more serious against us
1954 than against small packers or against other businesses doing a smaller volume of business, including these food integrators, big and little alike.

1882 When you go back to 1920, you take us back to the time of the war deflation and the circumstances that surrounded the picture at that time. Briefly, during the war, Armour & Company, in common with the larger packers, were in a situation where practically 65% of the meat food products that we manufactured and processed was taken by the Food Administration for the allied governments. It was necessary for us in the carrying on of this branch-house distributive organization
1883 to handle something else. We felt it necessary for us to keep our organization alive pending the cessation of hostilities, and since then we felt the necessity upon us, as food merchants, to provide, as Mr. Hoover requested at that time, other than meat for people to eat. So we developed into a business what we now know as the unrelated line business.

In 1920, at the close of the war and in the deflation period that we were in, we did not at that time see any change. We could not foresee what has happened in the last ten years. We were looking then, at that moment, toward getting back into the routine of business, of the meat packing business, and it looked to us as though we would get into normal times again and that our business was meat packing and we would be very happy to conduct ourselves as meat packers. We did not see then this great change that has come in merchandising. I did not see it. I am sure there was none of my associates who saw it. All we saw was the picture of normalcy of business of this country after the war, and the possibilities of a routine busi-
[fol. 1091] ness as was conducted prior to the war. That is what we were thinking of. We were not thinking of

any other thing. At that time, in 1920, we did not see this; there was not this development; no one foresaw this development in retail merchandising that has grown over the country in the last decade.

1884 Subsequent to the war I had visited Europe, and I recall very distinctly a conversation with Food Administrator Hoover at the Crillon Hotel in Paris in 1919, in which he prophesied that the great meat packers of America would be feeding Europe over the next ten years; that we would have not only the Allied countries that we had been supplying with meat foods as customers, but we would have the enemy countries. He used a figure, in millions of people, that was so big that I would be afraid to repeat it at this time. I am afraid no one would believe that was so.

1935 I assumed the situation to be that the herds had been devastated by the demands one way or the other of war; that in the countries over there, where they had always been more or less a factor, or at least they had raised enough products for their own home consumption, that they were totally without it. We were told before the close of the war, before the Armistice, that there was no meat at all in Germany; that we anticipated that it would take time to develop those animals and get back into production again, and it has taken practically ten years—we will say eight of those ten years for that to happen. Now, it is very clear that they are in full production of meat animals again on the Continent of Europe.

1936 We found ourselves at the close of the war with our warehouses filled with food products. We had followed the requests and demands of the Food Administration to pay a price which they had set for the live animal on the theory, on the promise, that they would take from [fol. 1092] us that meat food product when it was ready. In my conversation with Mr. Hoover in Paris in February, 1919, he first said, "What are you doing here?" I said, "I came over to open up the channels of business. We not only have got our cellars, and the aisles in our cellars, but we have got all the vacant warehouses we can find, full of pork products." He said, "Don't you worry. You not only will have the Allies to feed, but you will have the enemy country to feed, and you will have them for the next ten years." The authority of Mr. Hoover was good

enough for me at that moment, because I was a salesman looking for an order. His next point to me was, "Why don't you go ahead and ship?" My answer was, "Because the censor will not even let me send a cable; and if I could send a cable, there are no ships available." His answer was, "There will be," but it was the 1st of July before the first boatload of products reached Europe, by reason of the fact that the shipping was not available; it was being used in other channels. Mr. Hoover was very definite in his thought, and from the very facts that he had at that time, the condition within the enemy lines, as well as the conditions among the Allies, I think he was very sure of the fact that they would want that product.

Mr. Hoover told us that war-devastated Europe was practically out of meat products, and that was what we had been led to believe, of course, by the news from behind the lines during the war. The expected post-war foreign meat business did not develop.

1994-5 I accepted Mr. Hoover as a world authority on food conditions and I am sure, to the best of his knowledge and belief, he gave me the facts. I made no attempt to check up the facts he gave me.

1937 Mr. Hoover realized at that time his own great responsibility in the handling of this great food problem, not only from the point of view of the persons who [fol. 1093] had to be fed, the enemy and the allied countries, but also from the place in which he found himself from the producer of food whom he had done everything to and with and encouraged in every manner to produce this vast quantity of food, which had been done and which was then ready for market.

1938 I had the greatest anticipation of the food market of Europe that I have ever had of any unknown market in my lifetime.

1944 I took the opinion of Mr. Hoover as an authority upon the world's food supply and I assumed that because of the devastation of the herds in the warring countries, that that was the place we would get our business from. Naturally, in the demand of the war, they had reached out even to the countries that were not in battle, or were not on either side, neutral countries, for supply, and my assumption was that those countries had been de-

pleted the same as the warring countries had been depleted.

1885 There has been, and there is going on at the moment, a greatly increased production of live animals in all countries of Europe, with the possible exception of Great Britain, where they do not increase materially within themselves. In their Empire, in their Colonies, they are increasing. Germany, Holland, and Denmark have all greatly increased their supplies of hogs in the last few years.

1939-43 The yearbook of the Department of Agriculture for 1930, which is here shown me, shows, pages 824 to 866, the average annual herds of livestock on farms in various parts of the world for the pre-war period, 1909 1913, and for the post-war period, 1921 to 1925, as follows:

[fol. 1094]

Territory	Cattle		Hogs		Sheep	
	1909–13	1921–25	1909–13	1921–25	1909–13	1921–25
North America and West Indies	74,000,000	86,000,000				
United States	56,000,000	65,000,000				
South America	80,000,000	101,000,000				
Europe (exc. Russia)	103,000,000	98,000,000	92,000,000	89,000,000	234,000,000	223,000,000
Russia	60,000,000	57,000,000				
Germany	18,000,000	16,000,000				
France	15,000,000	13,000,000				
Africa	30,000,000	46,000,000				
Asia (excl. Russia)	195,000,000	235,000,000				
Oceania, Australia and New Zealand	11,000,000	13,000,000				
World Total	458,000,000	642,000,000	260,000,000	260,000,000	687,000,000	633,000,000

1945 The figures contained in the foregoing table jump from 1913 to 1921. In the interim, we had the war. Prior to the war, we had the natural development of farming and herding, and we must have had an increasing herd from that last figure that is shown there, naturally.

This buying power of the chain store is exerted
1885 both in prices and terms. A large buyer, from where he sits in the market place, has a domination that permits him to fight down the price, which he uses to insist on terms and service beyond what has been ordinary and customary in the usual handling of our business.

If a concern such as Armour & Company gets to selling an appreciable percentage to one customer, the effect would be a very serious one. If we got to a position where we depended on any one customer for a very sizeable part of our business, certainly, if we should find the situation some day that our biggest customer, because of some incidental thing that might happen between his organization and our [fol. 1095] organization, had decided that he would dismiss us from serving him, and that amount of product should back up upon us to sell in other directions, we would find a very difficult situation.

1886 Processing is really the productive end of our business so far as profit is concerned. We get our profit through the processing of our products. And to the extent that our customers take over the processing, we miss that profit, and we find, in this growing development of this great merchandiser called the chain store, that he is taking over, to a greater or lesser extent, these functions which have been a part of our business, and produced the greater portion of our profits. The chain store today will buy meat in pickle, or may buy it green and pickle it themselves. If it is bought in one way or the other, it is shipped to their warehouse, and they do the processing. They smoke the hams and boil the hams. In some instances they even have gone so far as to manufacture sausage. Those are functions that properly belong to the packing business. At least, that is what the packing business has been built up upon, and when we find that sort of a development, we are denied a very large part of our profits in the handling of our business. Chain store buying was not noticeable in the meat packing industry ten years ago.

1887 In the present situation, when our salesman visits a market, his first question, and probably his only

question, is "Do you want any meat today?" If the answer is in the negative, our man is through, then, so far as that call is concerned. But if he had the opportunity of going through, as many of his competitors do, a line of food products, and offering them for sale, the chances are that he would get some part of that man's business. On the other hand, if he sold him a small quantity—or any quantity, small or large—of meat foods, and he had other [fol. 1096] products to carry with it, that would help carry the overhead of that man's expense and help carry the overhead of that branch house. The same bookkeepers and the same manager, and the same chauffeur would handle that meat, without any additional cost, you might say, and it would reduce our cost of doing business and would give us greater opportunity for profit. It would be a means to an end that this business is unable to develop because of the restrictions upon it, but which we find is developing in almost every other line of business in the world—I mean developing to the point where a fixed thing, carrying a fixed overhead and fixed expense, gets beyond profit.

Therefore, people go into the other line, or some
1888 comparable line. We are dealers in meat foods in this great packing business. It would be the most normal thing in the world for our salesman to carry a line of food, including meat, and not simply the single item of meat. If we were permitted to do that, it certainly would make an entirely different picture of the merchandising problems which confront us, and which always reflects back to where we start from.

With this overhead, with this maintenance of a one-line business, even in the vast weight and the vast quantity we do business, we find the severe handicap of growing costs of distribution and salesmanship, all of which is a part of distribution, but that must reflect itself in the price the consumer pays when he eats that meat, or buys it in the market place. It must reflect itself when we buy the live animal from the producer. So that if larger profits than those at present were available, after a normal return on capital invested was passed, the natural result would be that the rest of the benefit would go to the consumer on the one hand, and the producer on the other.

I think there are enough salesmen in the field al-
1917 ready for meat products, and that the field is adequately canvassed both for them and for non-meat

products. There would be no object in doubling the number of salesmen. While I have no accurate knowledge as to this, I should say we now handle a couple of hundred [fol. 1097] different items in our meat lines, that is, items such as we would put down on our order list, and that meat lines would constitute from 25% to 35% of the normal volume of business of the combination meat and grocery store. I think any wholesaler competes for 75% of that business.

I do not know whether or not there is any other food manufacturer that competes for so large a portion of the normal combination-store business, but I do not think that is comparable. You are taking a division of a man's business which is meat and which has bacon and lard and sausage and boiled ham—forty different kinds of sausage and two or three different kinds of cooking fats and four or five different kinds of roast meats and four or five different kinds of frying meats. You can not measure that as a division of his business against General Foods which might sell him perhaps twenty articles.

The retail store does not sell you a can of fruit every day in the week, but it does sell you a piece of meat every day in the week—not a piece of sausage, but some kind of meat. It is true that the normal person eats a certain amount of vegetables every day, and a certain amount of fruit; but the buyer does not take canned fruit out of the place on the day he takes fresh fruit, and the dealer himself did not buy his canned fruit and his fresh fruit from the same place.

In our meat lines the average delivery to a regular dealer-customer is about 126 pounds a day, and it has fallen to this from 157 pounds ten years ago. This is only an average of store-door deliveries and does not include car lot business to chain stores, so that it is not a measure of the volume of business.

Armour & Company has 80,000 stockholders. It has paid no common stock dividend since 1926, but has paid dividends on its preferred stock, which is [fol. 1098] cumulative, at times out of surplus during the past ten years. It is not customary and is bad business policy to pay common stock dividends out of surplus, and we have not done so. Since 1926 our earnings have not been sufficient to pay dividends on common stock.

Our low profits are not due to waste in our operations. Indeed, our productive costs are less today

than they have been at any time in the last ten years, and our administrative charges are running $2,000,000 a year less than for Armour and Morris combined prior to the merger. We have 64,000 employees.

Armour & Company maintains a pension system under which male employees are allowed to retire at the age of 65, after 25 years of service; and women employees are allowed to retire at 55, after 20 years of service. The company also has group insurance for its employees. The relations of Armour & Company with its employees are the most harmonious. We have in our organization, in the operating side of it, what is known as the plant Conference Board, a board which is elected by the employees, and on which there is representation from the management.

1892 That was organized right after the war, and since this organization there has been no single instance of any differences that have had to be adjusted outside of that board. On two occasions in that time that board voted for a decrease in pay for themselves, and on one occasion they voted for an increase in pay. The departmental management and employee representation on that board is equal.

We have no requirement to the effect that any customer must buy exclusively from us or must buy one line of our products in order to get another

1893 I know of no business that is more highly competitive in trying to get the customer's dollar than the meat food business is. We meet everywhere, at every [fol. 1099] cross-roads where we do business, some sort of competition. I do not believe there is a retail dealer anywhere who has not the opportunity of buying from anywhere from two to thirty salesmen per week, a product that we sell. We not only meet the competition of the other slaughterers, but we meet the competition of the jobber, who buys in carload lots and cuts up the product and distributes it. We meet the competition, in many places, of the farm slaughter, which happens in the fall of the year and through the winter-time. There is no place that I know of where we do not meet the most severe competition. I do not think there is any industry that has more severe competition in all its ramifications in every direction.

There is a constant effort on the part of many to get that dealer's dollar.

1894 Referring to the direct purchasing of live stock, I would say that in the State of Iowa, at practically every cross-roads in the State, there are buyers for hogs. Iowa is the largest State in the Union in the production of hogs. The hog population is estimated at about 14,000,000. We have places in Iowa for the purchase of hogs direct from the farmer or from the shipper, that we call concentration yards, the meaning of the term being that the yard is established there, and the farmer brings the product in, largely in trucks, from all directions, to that market, and we assemble the animals in carload lots and ship them to the packing house destination. Largely those hogs moving out of Iowa go into Chicago, and in some measure they go into Kansas City and East St. Louis. The hog population of Iowa is larger than that of any State in the Union. It produces annually a hog crop of fourteen million.

1895 We much prefer to buy on the public stock yards in what are known as the terminal markets, because [fol. 1100] the stock is on hand there. We know what selections are to be made, and we know on what basis we can purchase. When we undertake to buy in the country, we buy what is offered. There is an uncertain supply. There are days in weeks when there are not any hogs at certain places. Many of them only receive hogs on Friday and Saturday of the week. It means a big expense to keep men there. It means a great effort to keep fifty, sixty or seventy places organized and informed, and it means a great expense to keep the movement of stock out of those places into the terminals. Direct marketing, as distinguished from public stock yard buying, increases the cost of doing business. Direct marketing has grown up as a development of time and changing conditions; primarily because others of our friends have gone into the country to buy stock and arrested the movement of that stock to the market. Together with that has been the de-

1896 velopment of the Iowa packers into very large units. Years ago they were small and did not interfere much with the movement of live animals out of Iowa, but today they are very formidable competitors of ours. In order to get a selection of stock we have to go to the place where the product is offered for sale. The farmer, in this

time, has found that by selling his stuff locally, or at one of these concentration markets, he does two things. First, he saves himself the shrinkage on the animal to market, and the expense of the market toll on it—meaning the commission and yardage charges, which are made against him; meaning also the feed bill, if he finds it necessary to feed. He saves, secondly, his own time. At all these places in Iowa the animals are largely brought in by truck from a radius of 10, 15, 20 or even 50 miles. A man can make his haul, get his money, and get home the same day. It is quite an item to him. It is a changing thing. It is something that the larger packer has felt himself obliged to adapt his organization to, but it is an expense. It is not as good a plan, from our point of view, as the plan that had been developed over the years of buying in the open market [fol. 1101] place at the terminal markets.

1915 In the early days there was never any thought of anything except going down to the stock yard to buy your products; but in the last ten years these great packing houses developed and have arrested the movement of the large quantities of hogs. I venture to say that there has been a decrease constantly over the last ten years of animals offered for sale in very growing proportions to what it was ten years ago. We felt that it was necessary to maintain that great Chicago plant, in which we have probably 35 millions or 40 millions dol-ars invested. With a diminishing live stock market we would have to go to where the live stock was. That is why we went into Iowa, to the concentration markets.

1896 I do not think it is in the power of any packing concern such as Armour or Swift, or any group of 1897 them, to put efficient competitors out of business, because in this free and open country of ours a man could take care of himself.

1950 We have acquired various competitors in the course of our development. Among these I should consider that Morris & Company was quite efficient until they met the post-war crisis; also, going back into the history of previous acquisitions, the National Packing Company, when it was organized, was organized of efficient concerns.

There is such an open field for a competitor to
1897-98 buy his product in, and there is such a big field for him to sell it in, that if he is efficient and able, he will take care of himself. No group of people could ever concentrate sufficiently to control the supply of live stock in this country, and no group of people could ever concentrate sufficiently in this country to control the selling of meat food products, or any other kind of food products. It would be totally impracticable for them to do it. A monopoly of the food industry of this country is totally impossible. If it were ever undertaken, the 6,000,000 farmers [fol. 1102] of this country would be in the food business overnight—in the distribution and sale of it, if nothing else. There is no such thing as the maintenance of artificial or unreasonable price levels as to the products Armour & Company deals in, now in operation or contemplated and I do not think it could be done because of the very nature of the business.

1898 First, the perishability of the product we have to sell. If we undertook to maintain a price beyond the price level, or the price idea of the buyer, and we held our stuff, every day we held it we would get farther away from the intent of that price, because of the deterioration that would be going on in the product. There is no price better, in the movement of meat foods, than the price obtainable immediately on the offering of that product for sale. That is particularly true in the branch house, in the terminal where a product is sent. The meat comes out of the car. The fresh meat is in bloom, as we call it in our business, and it has a satisfactory appearance of freshness. But each succeeding day, as time goes on, it loses that to some degree, and at the end of a week it is totally devoid of any bloom. The same thing applies to smokehouse products, in the matter of ham, bacon and sausage. At no time is it so attractive in appearance and ready for sale, than immediately after it comes out of the smokehouse. To the extent that it is permitted to meet the elements and the changing atmosphere in the very house it is in, and the changing temperatures in the movements from the house to the man's market—all of that has the effect of deterioration in its appearance and in its value. Therefore,
1899 at any time anyone undertook to maintain a price that was artificial, and that was beyond the imme-

diate trading ability to get, he would only sink himself. It would be suicide.

Consumer demand for meat products rises and falls with meat prices.

[fol. 1103] The high price of livestock a few years back came from diminished herds, due primarily to de-
1901 flation of prices after the war, the high cost of breeding cattle, the fact that herds had been killed off to a minimum, and that many feeders and producers were put out of business. It has gotten around to normal only recently.

1901 Armour & Company does not control, by stock ownership or otherwise, any concerns, organizations or corporations except those that are known as its subsidiaries. It has no stock or other ownership interests in any newspaper or market journals or terminal railroads.

1902 When Armour & Company sold its stock interests in various stock yard companies it received a very substantial cash payment and about 35% of the common stock of General Stock Yard Company. The only owner-
1904 ship or interest Armour & Company has in banks consists of a 53% interest in the Ft. Worth Stock Yard National Bank, a 32 or 33% interest in the Denver Stock Yard National Bank, something less than 100
1905 shares in the Sioux City Stock Yard National Bank and 20 shares in the St. Paul Stock Yard Bank. The latter two interests do not represent any appreciable amount of the total capital of these banks.

1906 The large packers operating on the public yards take the flow of the market, on the theory that we must give a constant every-day market to whatever the producer sends us. It was primarily this policy in the early days that made the packing business possible; but it does result in uncertainty of supply, varying at times as much as 100% from one week to another, greater in hogs than in cattle, but considerable in all species. We may have in Chicago, on a Monday, 65,000 hogs, and then within a week, on Monday it might be 35,000 hogs. Another week it might well be 90,000 hogs. As a result, the large packer at times has a supply greater than his immediate needs, [fol. 1104] and, if unable to find a market, must find ways and means of carrying over the surplus. In hogs, the

answer is in the direction of curing and freezing;
1907 in beef and lamb, of dropping the price to a point where they will take it, for there is little of the latter that does not go to the market within ten days. We then have to watch for the opposite situation when we have an opportunity of selling this frozen carcass which we have been carrying perhaps from two months up to a limit of six months.

1908 Gluts first appear in the livestock market, causing a drop in price. then, in the case of lamb and beef, we start to advertise them as sheap foods; and, under the pressure of advertising and salesmanship in getting hotels, restaurants, and dining cars to serve them every day, we are able to get the glut moved out into consumption. In the case of hogs, the surplus would go to the freezer and bide its time for the market. The glut backs up into the packing houses but never onto the retailer. He buys only what he can sell.

1946-7 For the past two years we have been carrying on experiments in the quick-freezing process, involving neither the double-plate nor the single-plate process. We have not yet undertaken any patents and do not care to disclose the method; but we have not gotten to the place where we are offering meat of that character to the public. The developments so far made would enable us to meet the competition of any food that is now prepared by any method that is now on the market, when and if we want to do it. It will cost a very substantial figure to equip our plants for this, handling the volume that we do, and one of our purposes is to find a short cut on the cost.

1948 As quick-freezing requires lower temperatures,
it requires more power, and the more power the
1949 greater the expense. At present, meat foods are carried through the packing house at from 34° to
[fol. 1105] 38°. Quick-freezing requires from 10° to 50° below zero, depending on the product.

1954-5 The problem of surplus facilities is more serious with us in proportion to our business than with the smaller packer, because of the greater fluctuation in our kill, which may vary in our Chicago plant from 1,000 to 4,000 cattle per day, or from 5,000 to 18,000 hogs per day; and because of the need for capacity to take care of that

situation. This condition has always existed and does not represent a change since 1920. The new conditions that affect that question are the chain store development, reaction from war conditions, and the development of competition in the business. We have more packers today than we ever had.

1956 While all productive units, large and small, ex-
panded to meet war needs to the extent of their
1957 capacity, as we did, most of them did it with govern-
ment money. We did not ask for any, because we felt we were able to take care of ourselves. Aside from the present depression, I will not say there is an over-capacity of plant in the industry, if we could go back to that great heyday of "prosperity" before the fall of 1929.

1958 We cannot adjust our prices so as to distribute any surplus capacity of our own over the industry generally. If we could, it would not be a hard matter for us to earn our dividends. A quarter of a cent per pound more on the meat food we handle would amount to $9,400,000 a year extra, and it would pay the preferred dividends; but the competitive situation, both in buying the animal and in merchandising the product, is such that we have been unable to get that narrow margin. A mere
1959 quarter or half a cent change in price is not going to change the demand for meat. It would take
1960-0 a 15% or 20% drop, or even more, to influence substantially the volume of consumption in a period of surplus. By and large, the ordinary retail business does not change its prices up and down with varying changes in the wholesale market. The chain store does it much better, and I believe that if we were in the retail [fol. 1106] business the retail price levels would be kept nearer the wholesale market than at present or than within the last 15 or 20 years; but in order to get these surplusses resulting from gluts in the livestock market moved promptly through to the consumer, it would take this 15% or 20% reduction in retail prices to effect any substantial difference. The chain alone is not sufficient to do it, because it is a matter of volume as well as price.

1963 The independent retailer's business is built largely on credit and telephone orders, a different clientele largely from that of the chain store. They do not go to

his store to shop or follow market prices closely.

1964 In order to get the desired results in this prompt movement through price adjustment, it would require us to retail our meats to a greater or less extent in substitution for the independent retailers now handling them.

1966 I do not know the unit costs of any of the small packers, but I will measure those of the great packer against anybody's in the production end. But in selling, the large packer's unit costs are greater because of his large branchouse investment and personnel. The small packer has a plant created to a certain capacity, without branch houses, and using motor truck delivery. He sells locally or within a few hundred miles and has practically the same quantity day in and day out. While he competes with us only in his own locality, we compete with the local packer everywhere, practically.

We have this great arm of our business called the branch house division, which represents investments of millions of dollars, which represents a very large personnel. We pay taxes locally, we pay telephone bills and insurance and a hundred other items that he escapes from entirely

1967 when he goes to sell his product. If I had a small packing house out in Iowa and I wanted to sell a carload of meat to a chain store in Philadelphia, I do not [fol. 1107] have to put a branch house there to do it. I can do it over the telephone or by telegraph. But, in the nature of the development of our business, which is on a different plan and method than his, we have got that created organization, not to take care of the chain store, because when it was created, there was not the chain store buyer; but it was created to take care of what we now term the independent or small buyer. That is all there. It has never changed. We cannot stop. We can not quit. We have closed up branch houses because of these changing conditions, but still we have got 380 of them left, scattered all over these United States.

In order to handle the product of 16,000,000 head of live stock, which we kill, in a year, we have got to have, we have got to get that, and we have not reached the place in the development of this business where the chain store is the bigger buyer. Still in our business 85% of our trade is

the independent buyer, and we have got to be in
1976 A a position to take care of him. We have got to be in a position to take care of it. Our business is built up for 100% of that kind of dealing. Now we have the development of the chain store and the big buyer, and the small packing house out in Iowa without any expense beyond the telephone or telegraph, or perhaps one salesman. He can sell a carload over the telephone.

1967 Of course between these two extremes, there are other packers, besides the big four, that have branch houses, but none of them has over four or five in the whole United States, and yet they have a business of $15,000,000 or $20,000,000 a year. Their business was not built on that basis, but on the basis of local business, car lot quantities, telephone orders, etc.

1969 Our business is practically the same size as that of Swift & Company, differing only $31,000,000 out of some $900,000,000 for 1929. I know of nothing that makes it impossible for us to operate as economically as they, and have no explanation for the discrepancy in our profits of $9,000,000 as against theirs of $13,000,000 for that year.

[fol. 1108] Armour & Company is a manufacturer and wholesaler. Our function ceases in the wholesale
1970 business. We do not go beyond that. I do not think there is much difference between our business and that of most other manufacturers today. I think there has been, in the last ten or fifteen years, a growing development of the manufacturer wholesaling his product, of all characters. I think further than that, in the last five years, there has been a growing development of the manufacturer not only doing his wholesaling, but going a step further and doing the retailing. That is not confined to the food business alone. We can witness that in a dozen businesses. We have the hosiery manufacturer with a retail hosiery store. We find the leather manufacturer with a shoe factory, and a retail shoe store, and selling, alongside of his shoes, hosiery and other items. We find the largest sporting goods manufacturer in the United States, Spalding, not only manufacturing the goods that he sells, but he is also a retailer. Spalding also jobs.
1971 He performs functions of a jobber and a wholesaler, but still has representation, probably in the same

town where he is doing wholesaling, in the retail field.

I would not say that in the meat line the wholesale business, as distinct from manufacturing, has been negligible, I think, if we dissected our business and took what we call wholesale business to a jobber, to some one who does something more than just buy it as a retailer does, we would find it was a very substantial item in the conduct of our business. For instance, we have innumerable customers who buy carloads of beef, sheep, sweet pickled hams, and then go on with them further, from there on. It is quite a sizeable business. They sell in turn to the retailer. There is a very sizeable business in the United States, in meat lines, in what we call jobbing.

1971-2 While we do quite a sizeable jobbing business, perhaps $100,000,000 to $150,000,000 a year out of our total branch-house business of around $600,000,000, the great bulk of our business goes and has for years gone direct to the retailer.

[fol. 1109] "Q. Are you able to tell us anything as to what the definite plans of Armour & Company are, or any
1972 of the plans of Armour & Company are, as to engaging in the retailing of meats and groceries in case
1973 they are given liberty to do so by a modification of the consent decree?

"A. We have no definite plan.

"Q. You have no definite plans?

"A. No, sir.

"Q. You do not know whether you are going to use it, or not?

"A. I want to be free to meet the conditions as they develop. I want freedom of action for this business, and when I have it, I can meet the conditions that surround me, and that I have to surmount in the conduct of the business.

"Q. You can not say, then, that conditions at present are such that it is necessary for you to go into the retailing of meats and groceries?

"A. I would say that the trend of the times is such that we may be forced into the retailing of products at any time.

"Q. That necessity may develop?

"A. It is imminent now, from all the signs of the times.

"Q. If that necessity develops, if it does not now exist, then it is your intention to do so, is that correct?

"A. It is my intention to meet the situation as it develops.

"Q. But it has not developed today?

"A. I say it is imminent. I say, in the situation surrounding the conduct of business today, something must be done to unfetter this great business called the great meat packers, so that they can meet these growing conditions. The very fact that we had the privilege or opportunity of going into the retail business without restriction might remove the necessity of our ever having to do it,

1974 "Q. In what way might it do that?

"A. Well, if you have somebody in a situation where he can never get up to you, you have an advantage [fol. 1110] over him. As I regard the situation today, in the business of retailing meats, our competitor has the advantage over us. Every one of the packing businesses we meet in competition with us has an advantage over us in the conduct of their business, because they are unfettered and they can do anything they want to. As I regard it, the wholesale grocer himself has a distinct advantage over Armour & Company, over Swift, or over Wilson, or over Cudahy, because of the fact that he is unfettered, and he can go as far as he wants. He has gone far afield in the last ten years, from what was the wholesale grocery business. We see that everywhere. We see it in every line of business. The very fact that we are restricted, Mr. Teegarden, is an advantage to our competitor as well as to our buyer, to our consumer, to our ultimate customer.

"Q. Could you illustrate, by some description of a definite line of procedure, as to how the mere possession of this liberty would give you an advantage, or enable you to act advantageously without actually using it?

"A. I can conceive of a situation developing around our business where we have a customer of very large proportions, with whom we are dealing in millions of dollars of business. I can conceive of his buyer and my salesman getting into a situation of antagonism one with the other, and of getting notice that that man would not buy any more products from this great house of Armour & Com-

1975 pany, because of some little incidental thing. I could not conceive of that ever happening if that big buyer thought that there was an opportunity, because he or his people refused us his business, for us to go into the retail

business. I can not conceive that he would reach that conclusion. I think he would find a way to do business with us.

"Q. In other words, if you were able to hold this privilege of retailing up as a threat against him?

"A. I think without question, Mr. Teegarden, if we had [fol. 1111] the privilege of an unfettered business, if we had the privilege of meeting any situation that would be created in this great competitive field of food merchandising, we could better serve the ultimate consumer; we could better serve the buyer; and we could conduct our own business on a better margin of profit."

1995 "Q. Why has Armour & Co. no definite plan with respect to retailing?

"A. I have never felt in the situation as it now stands that we could serve any purpose by making any definite plans.

"Q. Has Armour & Co., or have its directors, laid out any plans in anticipation of the Court's decision in this matter?

"A. No, sir. We have never discussed it as a matter of fact, at directors meetings.

1989-90 In addition to strictly meat lines, we handle butter, eggs, poultry, cheese, and soaps, and other products of that nature. We handle 100,000,000 pounds of butter annually. We have been handling some canned fruit and canned vegetables; and coffee, chile sauce, and spaghetti to a very limited extent. We handle California fruit on consignment in behalf of the California Cooperative Canneries.

[fol. 1112] We have competitors in the processing of meats and the slaughtering and processing of the animal,

1975 who are in the retail business and are developing the retail business. We see growing evidence that they are going into it. Frey, out on the Pacific Coast, sells 40 per cent of his output at retail. Hy-Grade here in Brooklyn and New York, is extending its operations. We also see the chain store taking away from the packer other functions than that of retailing. It is fast taking away the function of processing. The A & P have 22 warehouses in which they do more or less processing. Kroger has warehouses. Others have various kinds of manufacturing today.

1977 I think by and large we could retail our meats more cheaply than the independent retailer is now

doing, but I do not think we could take the place of the efficient family retailer, not that it would be impossible for us to conduct a service of such personal and select nature as some of these independent retailers do, for to that I do not agree, but it would take 25,000 retail markets to handle the output of Armour & Company in the ordinary way. While among these we might have a market like that here and there, I conceive that the fellow who has built up his business with a knowledge of the locality, the families he serves, and the types and classes of meat they use, would still
1980 be there. While we would draw our personnel from the local communities and could obtain personnel that could offer this same personal contact, we could not do it to the exclusion of the other fellow.

1980-1 Together with the rest of my family, I own stock in the White House Investment Company, a family investment company which in turn owns stock in the Waugh Equipment Company. I am not an officer or director of [fol. 1113] the latter company. I think none of the Armour family are interested in White House Investment
1982-3 Company except A. Watson Armour, who is one of our directors but not directly connected with the business. He has some stock in the White House Investment Company. Mr. Ellis, Vice President of Armour & Company, and Mr. Reynolds, one of our young men, are also interested in the Waugh Company; also Mr. Arthur Meeker, who is a director of Armour & Company but not an officer.

I know very definitely that the Waugh Equipment
1983 Co. is not controlled by stock ownership among the Armour personnel, officers or directors.

1983 The White House Investment Company also has an interest in the Lowden Packing Company, of Terre Haute and Evansville, Indiana, which is engaged in the canning of tomatoes and pork and beans.

The table entitled "Summary tables of foreign
1985-6 commerce, Principal domestic commodities exported during the fiscal years 1910 to 1914 and calendar years 1925 to 1929," issued by the Department of Commerce, shown to me on the witness -tand, shows average annual exports of packing house products, including lard and other edible fats and oils, 1910 to 1914, as 1,225,873,000 pounds; and for the years 1922 to 1926 an average of 1,753,-

000,000 pounds; for the year 1925, 1,499,000,000 pounds; for 1926, 1,300,000,000 pounds; for 1927, 1,200,000,000 pounds; for 1928, 1,200,000,000 pounds; for 1929, 1,382,000,000 pounds. That is, for each year since 1925, except 1927, the exports were in excess of the average from 1910 to
1992 1914. The dollar sales of Armour & Company for 1929 were larger than those for the six or seven preceding years.

The following advertisement of Armour & Company appeared in the Journal of Commerce for Tuesday,
1992-3 September 16, 1930, over my facsimile signature, and I think correctly represents the situation:

[fol. 1114] "The good old days——

"Any one over 35 can remember 'the good old days' when a quarter's worth of beefsteak was enough for the family. But let's not forget that quarters in those 'good old days' were harder to get, and meat a Sunday dish rather than an every-day necessity.

"To day we have an ever-increasing buying power with higher wages and measures taken to prevent slumps and lay-offs. The 'real' wage of the workman was never so high. And it continues to mount. Meat is today a regular article of diet in almost every home; and today's 'real wage' buys more meat than the former wages bought.

"Under these new conditions the stability, the earning power and the prosperity of a great packing house like Armour and Company are far more certain than even in previous days. For Armour's market contains more people, buying more often. And Armour's market, including the entire nation as it does, can't go 'broke.' Armour's past is but an indication of the new Armour and Company's greater opportunities.

"F. Edson White, President Armour and Company, U. S. A."

1996 Armour & Company carries an average total of something over 200,000 customers. I cannot say how many of these are chain stores; they all deal with us and their combined business constitutes from 15% to 17% of our business.

(63) JOHN M. CHAPLIN, Comptroller, Swift & Company, Chicago, Illinois, testified in substance as follows:

1997 I have been with Swift & Company for forty years and Comptroller for the past two years. Financial [fol. 1115] data with regard to sales, profits and number of branch houses and such other financial and economical data come under my Department.

Petitioner's Exhibit 136 is a statement of annual sales and earnings of Swift & Company from 1920 to 1929,

1998 prepared from this data. Red figures indicate losses.

Petitioner's Exhibit 137 is a statement of our domestic sales of edible products for the year 1929.

1999 This embraces all products for human consumption: food products, butter, eggs, poultry, cheese, lard

2000 compound and salad oils; but does not include canned vegetables, as we do not handle any.

Petitioner's Exhibit 138 shows a comparison of

2000-01 Swift & Company's sales of butter, with the estimated total butter production in the United States as given by the Department of Agriculture for the years 1920 to 1929.

Petitioner's Exhibit 139 is a similar comparison between Swift's sales of cheese and the total United States consumption for the same period.

2006 Petitioner's Exhibit 140 compares for the same period Swift's sales of dressed poultry with the esti-

2007 mated total of dressed poultry raised in the United States, and Petitioner's Exhibit 141 does the same thing for eggs.

2008 Petitioner's Exhibit 142 gives pound volume sales of Swift & Company from 1920 to 1929 in meat products, oleomargerine, lard substitutes, and hides.

2040 This is only a partial list and does not include certain other products sold, i. e. soap.

2009 Petitioner's Exhibit 143 shows for the same period the number of branch houses, refrigerator cars and

2058 car routes owned and operated by Swift & Company. The number of branch houses have since decreased from 431 to 419. We lease quite a number of cars in addi-

[fol. 1116] tion to these, so that the total cars operated for 1929, for instance, both owned and leased, numbered 6,641.

2045 Petitioner's Exhibit 144 shows the annual dollar

2009 volume of our branch house sales in the United States. The increase in the number of branch houses and branch house sales were shown in spite of our accumulated surplus branch house facilities, because we
2043-4 have had to serve smaller and smaller towns to get our business. Before that, we partially served these towns through route cars or trucks or perhaps a refrigerator car route with a sub-stop en route to its main destination. We can do this at a carload rate to the farthest destination with stops at certain intermediate places for partial unloading. There is simply a service charge for stopping the car.

2044 By establishing a branch house in a particular neighborhood we get a larger amount of business than we can secure by just having a salesman there. The branch enables us to render better service and to follow the trade closer and get a greater volume of business out of the same population.

2010 Petitioner's Exhibit 145 is a statement showing in detail the cost of branch house operation, volume of sales tickets, number of branches opened and closed and in operation for each year from 1923 to 1930. The first column, headed "Volume," gives the weight in pounds of all products handled by these branch houses. The totals in succeeding columns all relate to business done in these branch houses, while the column headed "Per CWT" represents the immediately preceding figures divided by the hundredweight in the weights shown in the first column. "Rent" represents a charge which we set up for the use of branch houses in order to arrive at the cost of our branch house operations, and is valued at six per cent on the investment in land, buildings, and machinery, plus depreciation, a charge varying from 2% on fire-proof buildings to 5% on a frame building, and 10% on machinery. [fol. 1117]

Where we lease branch houses, the rent figure repre-
2012 sents the amount actually paid.

2013 BH General Expense means branch house general expense and represents the general administrative expense of operating the branch house.

"Delivery" covers the cost of automobiles, trucks, horses, and wagons and any other delivery equipment used in
2013 connection with branch house operation. "Refrigeration" covers the cost of operating branch house re-

frigeration machines, boiler rooms, light, etc. "Repairs" covers the actual expense of keeping the premises and
2014 equipment in good shape. "Suspense" represents amounts written off for bad debts, which it will be noted, has increased since 1923. "Depreciation" covers depreciation on movable equipment, such as benches, tables, and movables carried on their own books; while "Other Expenses" cover telephone, telegraph exchange, and
2015 everything else not elsewhere included. "Pounds per ticket" as shown below is obtained by dividing the total number of sales tickets into the total pounds volume of business, both of which are shown. An increase of, say, ten pounds per ticket, or 10% on the present
2017 weight, would reduce our expenses at least $2,000,000 a year.

Petitioner's Exhibit 146 is a similar analysis of volume expense and expense per hundredweight of business done through Swift & Company's car routes through the
2018 United States, 1923 to 1929, prepared in the same general form as the last exhibit. Petitioner's Exhibits 145 and 146 do not include the total business of Swift & Company, but only that handled through branch houses and car routes. These exhibits do not include export business and some direct carload sales, but these exhibits cover the bulk of our total sales in the United States. Our total sales, of whatever sort, domestic or export, are given
2058 in dollars in exhibit 136. Included in our car lot
2041 business is that on government contracts, chain [fol. 1118] stores, big baking concerns, and special sales to dealers. I do not think that any large amount of the chain store business is handled in car load deliveries,—less than half, I should say, although it is increasing considerably this last year. I cannot say whether the cost of handling car lot business has increased or decreased in the past ten years, or whether it would make up for any increase in the cost of our branch house and car route business, but it is rather small, and I doubt whether it would affect those figures materially. Swift & Company's sales to its largest chain store customer were for 1928: $18,913,632; for 1929: $22,183,744; for the year ending September 30th, 1930, $21,-

104,353. For the last period our total sales to all
2018-19 chain stores were $71,550,000; for the first two periods no figures were compiled.

We did some business in 1920 in non-meat foods, such as fruit, vegetables, kraut, catsup, etc., but were liquidating our business at that time. We did none in these lines in 1922, 1923 or 1924; a small amount in 1925, 1926, and
2019-20 1927 in kraut and pickles, about $400,000 worth in 1928, and $450,000 in 1929 in the same lines.

Petitioner's Exhibit 147 is a list of plants purchased by Swift & Company from 1920 to 1929, with data as to
2021. location, volume of business before and after purchase, and the Swift & Company units serving the same territories just prior to purchase.

Petitioner's Exhibit 148 is a statement of live stock
2022 by species purchased by Swift & Company from 1920 to 1929 on nine leading live stock markets in the United States; and Petitioner's Exhibit 149 is a list of points at which Swift & Company buys live stock in direct marketing as distinguished from its purchases on public stock yard markets. They represent a total of 1,520,-
2023 000 hogs so purchased in 1929, and 616,000 for the first six months of 1930.

[fol. 1119] Petitioner's Exhibit 150 is a list of corporations in which Swift & Company or its subsidiaries own capital stock. It covers the corporations engaged in
2023 the same business Swift and Company is engaged in.

All on the first page and the first seven on the second page are 100% owned. Of the remainder, Swift & Company now owns the following proportions:

	Andrews, Swift & Company	66⅔%
2024-25	F. & C. Crittenden Company	75%
	Pauley & Pauley Cheese Company	51%
Swift & Co. of Woonsocket, R. I.		66⅔%
Libby, McNeil & Libby (see below)		
Ft. Worth Rendering Company		50%
Independent Salt Company		50%
Midland Warehouse & Transfer Company		18%
Swift Coats Company		50%
Union Rendering Company		50%
Union Rendering & Refining Company		34%

2025 Libby, McNeil & Libby of Chicago is engaged in the business of canning meat, vegetables and fruit. The company became indebted to Swift & Co. in
2027-28 excess of $18,000,000 and being in a situation which practically amounted to bankruptcy, Swift & Co. was compelled in settlement of this open account to take over approximately $19,000,000 of the preferred
2054 stock of Libby, McNeil & Libby. This was done
2027-28 five or six years ago. This was cumulative preferred stock which was non-voting except when dividends were in default for a certain length of time. Upon that occurring, the preferred stock acquired a vote.
2026 Libby, McNeil & Libby was recently refinanced about
2028 three or four months ago and as a result of that refinancing, Swift & Co. acquired in exchange for the non-voting preferred stock, $21,000,000 of the voting pre-
[fol. 1120] ferred stock of the refinanced company. This gives Swift & Co. about 60% of the voting power of Libby, McNeil & Libby. In addition to this, members of
2027 the Swift family and officers of Swift & Co. own
2056 among them about 20% of the Libby common stock.
2062-63 Swift & Company does not operate any public stock yards, but owns capital stock in various
2029-30 stock yard market companies, a list of which, with the amount of its holdings in each, as of 1924, 1929, and 1930, is shown in Petitioner's Exhibit 151.
2031 Calculations I have made show that our cost of soliciting sales averages seventy cents per salesman-stop on our car route territory. This only covers the salesman and his expense. The total cost incident to the business of selling meat would average $1.60 per stop on car routes and $1.00 in cities where we have branch houses. Their total expense of soliciting orders would be close to $20,000,000. Where we deliver to retail stores by truck, the truck costs us about $10.00 a day and averages perhaps seventy stops. This would make an average truck delivery cost about 17 cents per stop.
2032 It is one of our problems to increase the volume of goods that we can obtain through our salesman when he makes his stops at customers' stores. We have to spend a certain amount of money to get him there and unless he sells a certain weight of goods, his business will not be profitable. So our problem is to get as great a volume of

business each time he visits a store as possible. We find that we have a great many orders which are quite small and when we load a truck there might be 50 or 60 deliveries on the truck. If we could load a truck and only have to get enough out of each customer so we would have to make 35 deliveries to empty the truck, it would decrease the expense of delivery and also decrease the expense of selling the product. In handling perishable commodities such as we deal in, deliveries must be made daily and sometimes twice [fol. 1121] a day. Processing is a very profitable part of the packing business. The slaughtering business
2033 alone is not particularly profitable. You have to have the processing in order to make a fair profit.

2033 We have a total of 53,000 employes, with a plan for retirement and pension, and a plan for employe stock
2035 investment with between 15,000 and 20,000 employe stockholders.

2033-34 Swift & Co. supplies all the money necessary to maintain its pension system. Under the company's pension plan, men are permitted to retire at 65 and women at 55 years after 25 years of service. They then receive a pension consisting of 2 per cent of their average salary during the last five years for each year of service; that is to say, if the length of service has been 25 years, the pensioned employee will receive yearly one-half of the average salary during the last five years of that service. The company also makes a provision for disability for employees who have rendered 15 years or more of service. The allowance made to disabled employees is 1½ per cent of the average salary during the last five years, for each year of service. The company also makes provision for the widows of deceased employees and pays to them one-half of the pension which the employee would have been entitled to receive. All of these payments are made yearly during life.

2035 The company also has group insurance and employees benefit association.

Swift & Co. guarantees its plant employees a minimum of five days work, of eight hours per day, per week. The plant employees receive pay for a 40-hour week whether they work that amount of time or not. The company
2036 also gives financial assistance to its employees in case of sickness or other misfortune. The plant employees receive annual vacations with pay the same as men employed

in the office. The company maintains a very extensive system of educational courses, both by oral instructions and [fol. 1122] by correspondence and has about 5,000 students enrolled at all times.

My study indicates that between 9% and 10% is a fair return to expect out of capital invested in industrial
2036 enterprises in the United States. Such a study has
2049 been made by the Comptroller of the Bethlehem
2049 Steel Company. This shows average railroad earnings at 6.72% for 1925; 7.53% for 1926; 10.25% for 1927; 6.58% for 1928. It shows an average return on investment of 8% in 1925, and 8.15% in 1928; that is the return on investment. On book value, it is 9.5% for 1925, 10.02% for 1926; 8.16% for 1927; 9.90% for 1928.
2064 For the meat-packing industry in 1928, the return on investment was 5.85%; for 100 shares of com-
2049 mon stock, it was 6.57% and on book value of common stock, it was 4.29%. This study covers only 479 companies for the first year, and 690 for the last,
2050 a small proportion of all the companies engaged in business in the United States, but I think they are quite important companies, and it gives a cross-section of the industry.

Petitioner's Exhibit 152 is a list of Swift & Company's wholesale prices, dated October 15th, 1930.

We are handling quick frozen foods through a
2057 number of our branch houses; most of them are equipped to handle it, but I do not know how many are actually doing so, or how much, as it is not an important part of our business so far.

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(64) GUSTAVUS F. SWIFT, Vice-President, Swift & Company. Chicago, Illinois, testified in substance as follows:

The business of this Company was founded by my father. Gustavus F. Swift, Sr. Of my brothers connected
2064 with the Company, Louis F. is President, Edward F., Charles H., and Harold H. are Vice Presidents. I have been in the packing business since 1889, and Vice President since 1916. Mr. Chaplin has been with the
2065 Company ever since I went with it, and knows more about its business than any other man connected with

[fol. 1123] it. I am a general executive in charge of operations, but perhaps do most in the Pork Department.

Swift & Company has no stock or other ownership in
2066 Armour & Company, Wilson & Company, Cudahy Packing, or any other meat packing concerns except those known as our subsidiaries. There exists no agreement between us and any of those concerns or with
2067 any other meat packing company in the United States excepting our subsidiaries with regard to price fixation, maintenance, depreciation, or manipu-
2069 lation, in the sale of our finished products or in the purchase of live stock. Nor do I know of any so-called unfair trade practices in the buying of live stock, to the detriment of producers.

We impose no condition on our customers, direct or indirect, requiring them to deal exclusively with us, or to buy one article in one line in order to get others that we handle. Very few of our customers could be called exclusive customers.

2068 The selling end of the packing business is very competitive. We meet competition of national packers, medium sized packers, local packers, jobbers. In most all cases the customer does not buy until he has tried three or four branch houses or had a good many salesmen of different competitive packers call on him. There is a very competitive sales situation in the packing business. We compete with Armour, Cudahy and Wilson in practically all places. It is very seldom that there is any territory that is not covered by all of us. Competitive conditions in the purchase of livestock are very evident. We compete in most cases at all packing centers not only with the local packers, but the national packer, eastern shipping
2069 orders; in general the full packing industry in our buying of live stock.

2070 Wilson and Cudahy are the only national packers whose scale of territorial distribution is as large as Swift's and Armour's, although they sell in considerably [fol. 1124] smaller volume than these two. This does not mean that their unit costs of distribution are larger,
2071 because they distribute in a more concentrated way in the larger cities, not working the small trade as hard. We have more branches in proportion to our busi-

ness than they have; we have not opened up any that our increased volume of business did not justify, but they
2072 concentrate with a bigger volume per unit.
2073 The only private stock yards operated by Swift & Co. are those adjacent to the plants of the Omaha Packing Co. at Chicago, and the St. Louis Dressed Beef Co. at St. Louis.
2074 We have no plans with reference to the retailing of meats and groceries in case liberty is given us to do so by modification of the Consent Decree.
2089 The situation is this—we have no plan. Legal counsel and other people have told us that it was of no advantage until we knew whether we could go into the retail business or not, but we are continuing to give the matter study almost monthly or weekly or daily as the new conditions develop, to try to arrive at a conclusion, so that we can make our plans quickly and promptly, if necessary or desirable, when we know whether we can or not. We may make up our minds in a month or we may make them up next week, that we will do it as soon as we can if we are permitted. But we have not made up our minds that we want to do it nor that we do not want to do it.
2090 We are not retailing now. In case we decide not to go into the retailing, I do not think that the liberty to do so would assist us in combating the buying power of the chain store. In other words, the mere possession of the liberty would be no advantage.

If we did it, I suppose there would be some resentment [fol. 1125] by other retail customers, and as I see the picture, we could not do it in a dribbling way. We would have to be prepared to take over the retailing of
2097 our own products as fast as this retail patronage
2073 pulled away from us. No decision has been arrived at, but even if we do not retail, the distribution of so-called unrelated lines at wholesale will be a very decided advantage to us in the reduction of overhead and the spread of the expense of our doing business on the meat
2075 products; that is, we would be able to handle unrelated lines with a small increase in overhead, sales, and delivery expense. We could handle the two together at less expense, as distinguished from handling meats alone, or wholesale groceries alone, and therefore, possibly at less expense than those who are now handling groceries alone.

We handled wholesale groceries to a large extent
2077 prior to the entry of the Consent Decree in 1920.
2078 Whether we would get more or less advantage from
2079 doing so now than then, I do not know; possibly we would get more. My general impression is that the wholesale grocery business generally has decreased since 1920, but there has been no substantial increase in the extent to which they handle meat products; but the
2080 continued higher costs of doing business seem to make it the proper trend of the times to do everything to reduce charges between producer and customer.

I know of no reason why the general increase in cost levels affects us more seriously than it does others handling those lines; it affects the general public.

We have been experimenting with the quick frozen process in meat lines and selling some of those products, but not to any great volume at present. We use a process that we have developed in our own laboratories, not yet covered by a patent, and whether patentable or not, I do not know.

[fol. 1126] I do not know whether patents have been applied for or not. Some of our people think the process is
2080 patentable and others do not. The quick freezing is not an expensive process.

2081 It requires lower freezing temperatures than the
2082 old process, more machinery and more expense. We have equipped a number of our branch houses with ordinary freezers which will carry the lower temperatures required. These cost anywhere from $5,000 to $25,-
2083 000, according to the size and location of the branch house. We have not equipped any of the retail stores, but are selling quick frozen products to some of them. They handle it in their refrigerator show-cases or ice-boxes, get it in the morning, and possibly get rid of it in the afternoon.

Large chain store buying has a tendency to force us to make lower prices and has had some effect, we believe, on our profits. The difference in prices to chains and
2084 independents is, broadly speaking, the difference between the cost of handling and selling, but affects our margin of profits by giving us more low price business without sufficient margin to take care of our overhead expenses, based on present facilities and investment in

branches, etc. It operates more seriously against us than against those who do not have our burden of dis-
2086-87 tributing equipment and branches, etc., but not more so than on other packers in similar circumstances to ours.

2087 There is a certain class of packers that are in shape to cater to the large order business because of their lack of overhead in branch houses. What I have in mind is the carload business of the large buyers, such as chain stores, etc. We are not in as good a posi-
2088 tion to handle carload business to chain stores as many of our competitors because of our present overhead and investment in branch houses. It has changed [fol. 1127] the method of doing business for us. A part of the business that we were formerly handling through our branch houses we now handle in carload lots to the chain stores.

We have increased our number of branches since
2088 1920, largely to serve growing territories, as it was the only method to get that class of business, and we did it because it was more advantageous to us.

The Mechanical Manufacturing Company went out of business and into liquidation some months ago. Other members of my family and I owned stock in it, while it was in existence, and will get for our holdings whatever they liquidate for. Its business was sold to Albright,
2090-91 Neill & Company, a manufacturer of packing
2092 house equipment. I and my five brothers own stock in the Waugh Equipment Company, but not a controlling interest, and I do not think that the compound holdings of the Swift family and officers, directors and personnel of Armour & Company would constitute a controlling interest.

2093 I have no explanation to make of the wide difference of earnings between Swift & Company and Armour & Company. Our employes appear to number approximately 10,000 less than theirs. I think their compensation would average at least $1,000 a year, which
2094 alone would amount to a difference in cost of $10,000,000. Swift & Company has been paying dividends consecutively ever since I can remember. Myself and five or six directors of Swift & Company are directors of Libby, McNeil & Libby, out of a total of 11, I think.

2095 The growing business of the large order is continually coming more and more from the chain store, and it is getting to the point where it is building up so that if you lose one of those customers it affects 2096 your volume and your results, etc. And it is getting to be a question whether you can continue to sell them at prices necessary to sell them or whether you should [fol. 1128] let them go. Every one let go means a big lot of business gone. There is a decided danger in large customers from our point of view.

My judgment is that if the packer retailed, there would be less gross margin necessary, and that wholesale prices would reflect themselves to retail values more promptly than under present conditions.

2098-2100 (65) JOSEPH A. MCGINNES, Sales Manager, Chautauqua & Erie Grape Growers Cooperative Association, Inc., Westfield, New York, and speaker of the New York State Assembly, testified in substance as follows:

This association has a membership of 2,000 grape growing farmers with an aggregate of about 20,000 acres of vineyard, raising 18,000 to 35,000 tons of Concord grapes annually in the Lake Erie valley, which runs along the south shore of Lake Erie from the Pennsylvania line about 40 miles into New York State and is the greatest Concord grape growing district in the United States. They are used for manufacturing grape juice, jams, jellies, and for table purposes, and are marketed generally between September 20 and November 15. We sell about 4,000 tons annually to the Welch Grape Juice Company's plant at Westfield and about 3,000 tons to the United Grape Prod-2101 ucts Company, which has two or three smaller plants in this belt; we used to sell the Armour & Co. plant at Westfield about three thousand tons but during the last few years our sales to it have dropped down to from 750 to 1,000 tons; and we have a large plant of our own, acquired in 1929, with a capacity of 3,000 to 5,000 tons. The rest goes into nation-wide car lot distribution on the open market.

2102 Under our contracts with the factories, made in advance of the shipping season, our prices to them are based upon what our grapes sell for in the open market. [fol. 1129] Consequently, the greater the open market supply, the greater the tendency to lower prices.

2103 This year the dry summer caused earlier ripening and we feared a drop in price to possibly $25 to $30 a ton.

2103 Armour and Welch, however, came to us and made a proposition that they would guarantee to the grower at least $40 a ton minimum. This immediately stabilized prices and made a very much better condition. In my judgment, if something of that kind had not been done, it would have meant a difference in return to the individual grape grower of $10 or $15 a ton.

2104-5 We purchased our plant in 1929 with the aid of the Federal Farm Board, and the personnel at the Armour plant were very helpful to us with the benefit of their experience in helping to get us started.

2105 Our company and the individual grape grower in our district have had relationships with Armour & Company for at least 20 years. From a business point of view these relations were very satisfactory and very fair. Aside from the business point of view, we feel that their attitude toward the industry has been very sympathetic. This industry, like everything else, has its problems and they have been helpful in solving those problems. They have not approached it with the cold-blooded attitude of corporations generally. If the Armour plant were closed, it would be injurious because it would compel us to look elsewhere for a market for the product they take.

2106 It is highly advantageous to be able to have your grape product manufactured in the district where grown.

[fol. 1130] (66) David K. Falvay, President and Manager, Chautauqua & Erie Grape Growers Cooperative Asssociation, Inc., Westfield, New York. testified in substance

2111 as follows:

This is the concern of which Mr. McGinnis is Sales Manager. Our membership also raises from 300 to 500 tons of cherries annually, and some tomatoes. In the last

two or three years all our cherries have gone to the Armour plant at Westfield *at 6¾ cents* per pound. The highest that others paid for cherries in this belt was 5 cents to 6 cents per pound. Armour also takes all our currants and several thousand bushels of apples. Cherry tree
2113 planting is increasing among our membership. The trees mature in about six years, and in the next three or four years we anticipate a tonnage of about 700 to 900 tons. No one else in this district is available to take them, and if the Armour plant were closed it would very seriously damage us, and I do not know what we would do with our cherry crop.

2114 (67) CHARLES H. HAYS, President, Keystone Co-operative Grape Association, Northeast, Pennsylvania, testified in substance as follows:

This association has a membership of about 350 grape growers, controlling 5,500 acres of Concord grape vineyard, or about 60% of the acreage in the Pennsylvania belt. This is the same belt that runs into New York State. We ship from 5,000 to 16,000 tons a year, mostly in car lots, all over the country.

2116 We cannot sell to the Armour plant, 15 miles away, because they can get their grapes closer with a shorter haul. Whatever crop the plants take helps the outside markets from being glutted.

[fol. 1131] We have sold currants and cherries to Armour and have always found them very fair in their
2117 treatment, sometimes voluntarily paying a little higher price than we could get elsewhere, and helping us with the installation of machinery and the loan of equipment.

In my judgment the closing of the Armour plant at Westfield would have a serious effect upon the growers. We have an overproduction of grapes now that
2117 can be marketed in their fresh state and any loss of facilities of this sort makes the market less profitable.

2118-21 (68) ISAAC HOAGLAND, General Superintendent of Branch Houses, Armour & Company, Chicago, testified in substance as follows:

I have been in my present post since April, 1928, with Armour & Company for 20 years, and prior to that with Kingan & Company for 10 years in various capacities from laborer to salesman.

Petitioners' Exhibit 153 is a statement I have prepared of Armour and Morris branch houses, used and idle, February, 1920, and September 1, 1930, and the number opened, and disposed of in the meantime. This shows a total of 398 Armour branch houses in 1920, of which 78 have since been closed, while 17 others have since been opened; also 167 Morris branch houses in 1920, of which 115 have since been closed (all but two of them since the Armour-Morris merger in 1923) and 13 have been transferred to Armour & Company proper, while two additional Morris branches have been opened since the acquisition in 1923 to keep the advantage of the Morris brands and good-will. Of those that have been closed, 69 have been sold for a [fol. 1132] total of $1,324,237.44, 6 have been leased to others, while 57 (including 25 owned and 32 leased) remain idle on our hands, with an original cost of $2,562,416.17 and a present book value of $1,900,346.27.

2157-8 In the case of the leased houses, these figures represent only what we have put into them in the way of special alterations, equipment, etc.

In addition to those the disposition of which is here shown, 61 others, out of the total of 193 which have been closed, were operated in leased properties the
2155 leases to which have since been terminated or
2164 canceled. To obtain these cancel-ations we have paid the lessors a total of more than half a million dollars.

It is sometimes preferable to lease rather than acquire branch-house properties; but in either case we sometimes have to install special construction in the way of
2155 coolers and insulated walls and partitions, if they do not have them already. Some of our undis-
2156 posed leaseholds have as much as 10 to 20 years
2157 yet to run. Rentals on our leaseholds may very from $225 a month up to $10,000 a year—perhaps some even more.

On February 1, 1920, we had 7 idle branches on our hands (2 owned and 5 leased), the total original cost of which was $29,997.40, and the then book value
2122-3 $27,038.36. The difference between the figures for original cost and book value represents what
2159 has been written off for depreciation. This was charged as an operating cost.

2123 Armour & Company has 22 branch-house dis-
2125 tricts, with from 6 to 40 houses in each district, depending upon transportation, volume of business, etc,

[fol. 1133] At the present time Armour & Company has 9,924 employees in its branch houses, there being 1,362 in the accounting division, 2,697 salesmen, 384 man-
2124 agers, 1,289 shippers, billers and checkers, 1,229 laborers, 1,195 team and motor truck operators and 1,772 manufacturing employees. The physical property of a branch house consist of a building of one to four stories containing refrigerated space, dry storage, loading and unloading docks, office space and space for the storage of delivery equipment. Branch houses are also equipped with machinery for slicing bacon, sausage machinery and smoke house and storage facilities for use in manufacturing.

Our investment in individual branch houses runs
2125 from $25,000 to $400,000, and totals $26,307,257, with an annual operating cost around $30,000,000.

Shipments from headquarters to branch houses are made on branch-house managers' orders based on their estimates of their requirements. The quantity is determined
2126-7 by them and not by us in Chicago. We bill them on a fixed scale price on the regular branch list, which varies with fluctuations in the livestock market, just as we bill other wholesalers to whom we ship. They sell, in turn, at prices determined by the particular manager on the basis of the trade, part of which is solicited by salesmen but more of which is sold right in the branches.

Armour & Company has reduced its number of branch houses since 1920, because many of them were unprofitable due to lack of volume. There are several changes
2127 which have brought about this situation. In 1920 and prior to that time, the regular channel through which meat products flowed was from the packer to the wholesaler and retailer and our branches were located to

carry out that scheme of merchandising. That plan has been upset since 1920 to some extent, by the changes that have been brought about by centralized buying of the chain [fol. 1134] store and the development of the motor truck. This has had a material effect. The chains buy a large quantity and take it into their centralized warehouse and distribute to their stores and do not allow their supervisors or store managers to purchase locally as they formerly did. The motor trucks have enabled the retailer to go into the larger markets and buy and has also enabled the jobbers in larger cities to extend their trading radius and intensify competition. This has resulted in a lack of volume
2128 in many of the smaller cities located adjacent to larger cities. A reduction in branch house volume brings about some decrease in expense but not in proportion to the decrease of volume. There are certain charges that are fixed such as rent, taxes, insurance, management and bookkeeping and these are not changed because of lack of volume.

Marlboro, Mass., is a concrete illustration of the manner in which the increased use of motor trucks has affected our branch houses. Marlboro is located approximately
2130-1 25 miles from Boston and 15 miles from Worcester. Armour & Company owned and operated a branch house at Marlboro for many years and acquired an additional branch in connection with the purchase of the Morris property in 1923. When those branches were established in Marlboro there were no chain stores and there was no method of getting in and out of Boston except by horse drawn vehicles or trains. When the chain stores were first established in Marlboro they allowed their individual store managers to buy. Later they had supervisors do that buying and continued to do at least some of it locally. During the past few years, since the establishment of their centrally owned warehouse, the chains buy nothing in
2131 the City of Marlboro, and as a result our volume was greatly decreased in our branch houses. We closed one branch house and later closed the other and have no branches at Marlboro at the present time.

[fol. 1135] Our branch-house sales have decreased $110,000,000 since 1920. Closing certain branch houses
2128 has not afforded an adequate remedy, because it leaves us with the carrying charges of idle proper-

ties on our hands and with idle space in other branches that is not being utilized. Branch houses are necessary to one doing a meatpacking business on a nationwide scale, to enable the prompt and rapid movement of the product.

2131 The size of our sales per order to independent retailers has dropped since 1920 from an average of 156 pounds to 126 pounds.

2132 Our total volume of branch-house business in the same time has dropped from 3,000,000,000 pounds to 2,800,000,000 pounds, while the number of sales tickets has risen from 19,400,000 to 21,900,000, resulting in an increased cost per order in every way.

2132 The two principal things that make the selling cost of an order large are salary and traveling expenses of salesmen. It costs just as much to travel a salesman a mile or ten miles to obtain a 20 pound order as it would cost to obtain a hundred pound order. The same thing is true with reference to bookkeeping, credit expense, management expense and, to some extent, delivery. While a truck may have to stop a little longer to unload a larger order, the large part of the cost of the operation of the truck is the traveling of it, and it does not cost any more for a truck to travel to deliver a hundred pounds than it would to deliver 25 pounds.

2133 Direct sales to chain stores have not remedied the branch-house problem, because we still have to maintain the branch to service the small dealer, while the extension of chain activities into processing meat products has taken over to that extent one of the packers' most profitable functions and resulted in some unused equipment at branches.

[fol. 1136] We were approached in 1928 or 1929 by At-
lantic Coast Fisheries to handle their quick-frozen
2134 fish through our branches; and, when we could not do so, they went to Kingan & Company, of Indian-
apolis, who are distributing these products at sev-
2134 eral places. Kingan & Company do a volume of business in practically all of the eastern part of America and also along the Pacific Coast.

2144 Outside of Atlantic Coast Fisheries, the Birdseye concern, part of General Foods Corporation, is the

only one handling quick-frozen fish as far as I know.

2135 We have noticed voluntary chain operations, particularly in the sale of canned meats, because those sponsored by wholesale grocers and requested to handle the particular wholesaler's brand, whereas they formerly bought from us. Some of them have extended centralized buying also to smoked meats and refinery products.

2136 Chains often sell Armour branded products as leaders at cost or below cost, to attract people to their stores, and competing retailers then feel that we have been discriminating against them. This stiffens the sales resistance of that class of retailers.

2137 Sometimes where we have served one of the larger chains for a long period of time and enlarged our facilities to take care of it, it has suddenly withdrawn its business without particular notice, leaving us with unused equipment and an excess of perishable product on hand that we must go out and find a market for, often at extremely low prices.

2136 For a long period of time we sold one of the large chains considerable quantity of sliced bacon, which we sliced locally so as to furnish it to them promptly and in the best condition possible. To do this we put in special equipment in that branch house and without any particular notice the chain discontinued buying from us, leaving us without any use for the enlarged facility.

2137 Often a branch house sells regularly to a chain over a period of time and quite naturally the manager of the branch anticipates continuing to sell that chain when he is ordering his requirements. Then if the chain [fol. 1137] buyer fails to come in and purchase, we find ourselves with an excess quantity of perishable products and are forced to go out and find a market for it, and in many cases, to sell it at an extremely low price.

2138 We could handle non-meat products along with meat products through our branches, with out existing facilities, and distribute our selling costs over a wider line without increasing our fixed charges at all, nor, we believe, our delivery charges either to any extent.

2139-40 There is an increasing tendency in merchandising to diversify the number of lines handled, both by chains developing the combination meat and gro-

cery store and by such integrating concerns as General Foods, Standard Brands, etc., taking on numerous lines. Our district managers have reported this experience generally throughout the country, except that the chain store has gotten a greater footing in the northeastern part of the country than elsewhere.

2141 I think the entry of large packers into retailing meats would result in keeping retail prices closer in line with wholesale prices, because, as it is now, gluts head up chiefly in the packers' hands, causing overstocking in the branch houses, and we have difficulty forcing it through the retailers' hands into consumption at decreased prices to get it moved.

2145 There is always a hazard and a speculative risk involved in the process of curing products. The chain stores buy products already cured and ready for processing. They do not cure them for processing. A chain store buys bacon ready to slice. They have not had the risk of carrying that product and having it deteriorate in the process of curing before it can be smoked.

2145-46 Products which we process ourselves, and similar products purchased from us and processed by chains, are, up to the point of that purchase, given the same general treatment in our plant.

2147 The chain store advantage in selling the finished product which they process is largely that of selling in packages under brand names, with the prestige and [fol. 1138] good-will which attaches to it. We used to sell them sliced bacon under brand names, but do not do so now. The meat we sell to chains goes to them unbranded.

2148 and 2158 If we had been handling groceries as well as meats in the past ten years, sufficient to supply stores equally with both, I doubt whether we would have needed any additional branch house capacity. We could have handled both lines with our existing facilities.

2165 (69) WILLIAM S. CLITHERO, Assistant Comptroller, Armour and Company, Chicago, recalled, testified in substance as follows:

The total amount paid out to obtain cancellations on branch-house leases in the last ten years, including the

scrapping of equipment that we had to discard, was in excess of half a million dollars. We paid as high as
2167 $15,000 for one cancellation on a branch in Florida. I do not remember whether this was during the Florida boom or not.

2167-68 (70) JOHN A. HAWKINSON, Nashville, Tennessee, testified in substance as follows:

Prior to my present retirement I was in the packing business over 40 years; 22 years with Swift, two years with the Tennessee Packing Company at Nashville, eight years with Sulzberger & Wilson, and eight years with the Allied Packers, Inc., as president. The latter concern
2169 in 1927 sold its five Canadian plants to a new Canadian
2200 company, and in 1929 its American plants were taken over by the HyGrade Food Products Company. This is a consolidation of a number of eastern processers handling all kinds of fresh and cured meats and making sau-
[fol. 1139] sages; also operating these four packing plants of the Allied Packers.

Allied Packers' annual business while I was with it
2169 ran between 2,000,000 and 2,500,000 animals and from $60,000,000 to $90,000,000 sales. We had five slaughtering plants in the States, in addition to the Canadian plants.

2170 The meat packing business includes the following classes of packers:

1. Interstate packers, who do an interstate business.

2. Local packers, who sell their products in reasonably close proximity to their plants.

3. Non-federally inspected packers, who sell within a few miles of their plants.

4. Non-slaughtering packers, who have their
2202 slaughtering done at public abattoirs for a fee. The slaughter of lifestock at public abbat-oirs for farmers is a negligible portion of the business. The principal service of the public abbat-oir is slaughtering for meat packing companies.

2170 5. Farm kill, which in many sections of the country during winter months is very large. These animals are cooled in the open air and sold to local dealers or in the public market square.

6. Periodic packers, who augment or reduce the volume of their slaughter according as their business is
2171 profitable. For example the Western Packing Company, later purchased by the Allied Packers, was organized by ten wholesale meat dealers who used that plant to slaughter their animals. After the Allied Packers purchased the plant we continued to slaughter for these packers for a number of years. We bought their animals for them, chilled them and delivered them for a fee, and they did their own cutting and processing and sold
2202 their products. There is a typical public abbat-oir in Nashville which is owned by a group of small packers who buy their own livestock and have the same slaughtered for a fee at the abat-oir. New Orleans has two public abattoirs, Houston, Texas, one. They are scat- [fol. 1140] tered all over the country. These abattoirs also kill livestock for farmers, but this is a negligible portion of the business.

2172 The national or interstate packer meets these other classes of competition in all markets in varying proportions. For instance, 50,000 hogs are killed around Nashville every winter and it is almost impossible at that season for larger packers to sell fresh meat there.

The local packer enjoys a decided advantage in his home territory:

1. Because he can buy local supplies of livestock on a more reasonable basis due to his local contacts.

2183 2. Because local-dressed meats command a premium over western-dressed meats, of from one cent to three cents a pound.

3. This premium enables him to sustain the greater cost incidental to buying livestock on distant markets and shipping it in where the local livestock is insufficient to meet his needs.

2172 4. Most local packers have been residents of their locality for a long time and are personally and gen-

erally favorably known. They have a certain amount of local prestige and are in close touch with their own livestock buying and with their own trade.

Farm land surrounding many of these small packer locations in the more populous east is no doubt more valuable than that on which western cattle is produced; and the local packer affords a market for livestock raised on such land. It would be entirely impracticable for these local farmers to ship their product to the western markets, because of the freight. In territories east of the Mississippi, the farmers are largely dependent upon the local packer for the disposition of his livestock. The further east you go, the more this is so, while the further west you go, and the nearer the farmer gets to the great western producing areas, the less dependent he is upon the local packer. The farmer from Iowa, for instance, could ship his livestock to Chicago or [fol. 1141] even further east. I think, if the present local packer, by any possibility that I cannot conceive, should disappear, other local packers would develop.

The Allied Packers, prior to their absorption by HyGrade, did a nation-wide business, with 35 to 40 sales agencies, four branch houses, 50 leased refrigerator cars and many others which we got from the railroad companies and sometimes even from the larger packers without charge; and around 100 car routes.

Since 1925 the use of motor truck deliveries has greatly developed, and the radius of their use increased, affording quicker deliveries and the elimination of hauling charges at each end of the shipment. There is a great tendency all over the United States to enlarge delivery by truck.

We bought our livestock through our own salaried buyers at Chicago, Buffalo, and Detroit; through order buyers on other public markets; and some direct buying, into which we were forced by decreased hog receipts at Chicago.

Livestock prices are quickly equalized by a flow of buying at any market which falls below the level.

The meat packing industry has become decidedly more competitive since the war. It is practically impossible to get any definite figures as to

the number of competitors, but small packers have expanded their sales methods, and competition with the so-called "Big Four" has perhaps become distributed over a greater number of concerns in the field. I do not mean that competition among the large packers has in-

2177 creased. This increased competition is because during the war the bulk of the government business was given to 65 packers, allotted by the Food Administration, leaving a gap in the domestic trade which was largely picked up by smaller packers. Also, plant facilities were generally expanded, resulting in a general scramble of the entire industry after the war to secure enough business to fill their plants. Good roads have been another factor that has increased competition. It has made trucking feasible, [fol. 1142] advantageous, and economical. It has extended the distribution area of the local packer. The chain stores have been a contributing factor. We have fewer buyers now to sell to. There has been quite an increase in aggressive selling by different packers advertising new brands and new products. There are so many things that it would be difficult to specifically name any one that has caused the change.

2178 Packer entry into the dairy and produce business has been a distinct benefit to the industry, through the introduction of refrigeration, packaging, and grading of eggs, cartoning of butter, etc. There is a tremendous amount of competition in the produce business.

2178-79 There are large companies engaged in it and according to the published annual reports and quarterly reports they have been able to increase their business profitably regardless of packer competition.

2180 Referring to the cleaning up of the yard, the most desirable hogs sell first and after the active trading is over almost every day there is some livestock left. Some of it may be desirable. Others might be desirable weights but of unsatisfactory quality and others might not be particularly desirable for such packers. That class of stock is more difficult to judge. The buyer has to examine each animal more closely and it generally sells after the active trading. I know that so far as our company is concerned, we keep our buyers in until the close of the market and if there were any bargains there, if we could buy that class of animals, we bought our share.

I think it would be absolutely impossible for any packer or group of packers to monopolize the meat packing or food industries. Any effort to monopolize so essen-
2181 tial a food product as meats would meet with such a wave of adverse public sentiment that I think it would spell calamity for whoever did it, but even if it did [fol. 1143] not encounter that adverse public sentiment, I think it would be absolutely impossible for any group of packers to become large enough to control the livestock supply. I think the farmer would soon be in the packing business and there would be hundreds of packing houses spring up. Firm prices for finished products attract
2182 new concerns into the business. When there is a period of high prices for livestock it inevitably brings increased livestock supplies generally the following year.

If a local packer with his personal contacts with the trade should be absorbed by a large packer, I think he would still be able to continue his personal contacts and furnish the same personal service as theretofore, although he might not have as much interest in doing so. Larger
2188 packers in acquiring local establishments could draw their personnel from the local community, and these personal contacts could be continued except for the lessening of the ownership incentive.

2189 If the large packer should equip himself with a process whereby he could kill meats and freeze them quickly and package them in small package forms, ship them to the local markets throughout the United States and place them there before the buying public in a condition the equal of fresh meats in every respect so far as nutriment, flavor, appearance, quality, and all the other characteristics that are desirable to the purchaser, this situation would destroy the advantage of the local packer insofar as his advantage consists in his ability to offer fresher meats. But in my opinion, the local packer would still be able to compete. He could do the same thing.
2190 He still has his local prestige, and the advantage of personal service and ownership supervision and
2189 management which is a very great factor in any business. And he would still have 30 or 40 different
2191 varieties of smoked sausage which are not adapted to quick freezing and which lose their bloom in ship-

2190 ment. This is only a small portion of his business but a considerable portion of the profitable end of his business.

[fol. 1144] The Allied Packers never handled any unrelated lines except butter, eggs, and cheese.

2199 Immediately after the Armistice the packers confidently looked forward to a very large continued export business which did not materialize. This big effort to regain volume and increase volume became prevalent in 1920 and increased constantly since that time.

2203 (71) NATHAN STRAUSS, 401 Park Place, Brooklyn, New York, testified in substance as follows:

2204 I started in the retail meat business 30 years ago with one shop. By 1920 I had 50 or 55, with total 2214 sales of $3,500,000. In 1928 I acquired the Roth Company meat stores, and in 1929 my total sales 2205 were $14,000,000, with 220 stores, of which 25 also handled groceries, and are combination meat and grocery stores with complete lines. We are doing a business of a million dollars in groceries, and 90% of the stores we are opening now are combination stores. Six months ago we started to put lunch counters in our stores and have 12 such stores now. My concern is an instance of one that started in the meat line alone and is going into groceries.

I have been compelled to put in all kinds of goods 2206 because we lost quite some business because of the competition of the chain store, by not carrying butter, eggs, and groceries. We have for the last year or so been quite successful with our grocery lines.

Some of our old stores that were running low, we turned into 5-to-30 cent meat stores, that is, handling only meats selling from 5 to 30 cents a pound. It has boosted our sales as much as ten times. Those that were doing $300 are doing $3000 per week now. Our stores are located in Massachusetts, Rhode Island, Connecticut, Bethlehem, New Jersey, and New York City. We buy meat from about 150 different concerns each week, probably 20% to 40% from [fol. 1145] the big four packers, with the balance from independents. I direct all the buying and visit 30 to 40

wholesale meat houses each morning before 8 o'clock;
2208 go into the coolers, talk to the managers, find out
the best prices and instruct my men to buy, or not
2209 to buy accordingly. I have eight meat buyers be-
sides myself. We find competition all along the line
2210 to get our business both with the independents and
large packers, and buy where we find it cheapest.

2219 (72) J. A. REVELLE, Assistant Manager, Swift & Company's general car route sales department, Chicago, Illinois, testified in substance as follows:

This department has supervision over the total of 1014 car routes that emanate from our 22 packing plants in the United States. A car route can be briefly described as the group of towns served by a salesman who starts out on the route Monday morning and works until Saturday taking orders from the retailers in each town. These orders are forwarded to the packing plant from which the salesman operates, where they are filled and loaded into a refrigerator car. This car is then placed in a local freight train and travels along a scheduled route, stopping at the various towns where the goods are unloaded by the local train crew and turned over to the customers or to authorized draymen by the railroad agent.

The salesman calls on the dealers at a regular scheduled time during the week, and the orders he takes are shipped
in regular scheduled cars. He is assigned a definite
2220 number of towns and given a statement showing the loadings and arriving schedule of each of the cars that serve his towns. The average route consists of about 75 to 125 customers. The salesman usually calls on each dealer at least once, and some of them two, or perhaps even three times a week. These dealers may all be in one town, or they may be in even 35 or 40 towns, depending, of course, on the accessibility and size of the towns. The salesman usually lives in one of the towns on his route and travels in an automobile.

Ordinarily we have a branch house in the cities and the larger towns that takes care of those towns and the territory immediately around the branch, and the car route sales [fol. 1146] department takes care of all the rest of the

country, if located within 500 or 600 miles of one of our packing plants. Ordinarily the limit of practicability of operation of a car route is about 600 miles from a packing plant. Such cars are unloaded by the local train crew at the freight house. It is operating on a local freight train, and it is unloaded by the local train crew, by the brakeman, and the product turned over to the local railroad agent. He, in turn, releases that to the customers, who may call at the station for the product, or we may have an
2221 arrangement in that particular town with a local drayman to haul this product to the customers.

In 1920 practically all sales in car route territory were to the independent trade. The development of the chain stores was of very little significance in car route territory at that time in the retailing of meat products. In fact, there had been very little development of chain stores in the food lines in car route territory, of any character, in 1920.

In our car route territory there are now about 7,000 chain stores, 1,900 of them handling fresh meats, and nearly all of them handling smoked meats, butter, eggs, and cheese, and refinery products—lard and shortening—and usually oleomargarine. The greatest development in the meat end of the business has been within the last three years,
2222 since 1925. In sending out these car routes, we pay the freight on each individual shipment, just the same as if we offered that to the railroad company for shipment by local freight. We pay at the regular class rate on each individual shipment. In addition, we have to guarantee the railroad company a minimum revenue per car. In most cases that minimum is about 12,000 pounds, although there is some variation in the different freight classifications. When the salesman fails to obtain the required weight to produce this minimum revenue, we have to pay the railroad company the difference in the form of a charge known as a deficit, or more commonly, a penalty.

This makes it necessary to have a steady, even flow of volume in car route territory, because we have to maintain regular schedules for each car route territory. Of course, we have to have a scheduled service so that the customer [fol. 1147] will know when he can obtain his requirements.
We could not operate that on a haphazard basis, be-
2223 cause we could not obtain orders from the dealers. When our salesman calls on a dealer, the dealer

wants to know definitely that that car will arrive in that town on a given day of the week, so we have to operate these cars on schedule, and they have to pull whether we have the weight in them or not. Whether we get the orders, or not, the cars go out, and if they do not contain sufficient weight, we have to pay this penalty.

The development of chains has made it more and more difficult to operate our cars, and give satisfactory service without paying penalties. The chains follow the practice of establishing warehouses at central points where they buy packing house products in carload lots and even in some cases, fresh meats. It is developing more and more into the line of fresh meats. They buy these products in carload lots and then redistribute to other towns in the car route territory by truck, together with the canned goods and fresh fruits, vegetables, produce, and items of that kind. There is just so much business available in a car route town. Take a town of 4,000 or 5,000 population. There is only so much produce consumed in that town, and when a chain establishes a store in that town and makes an arrangement to truck its product from a central warehouse, it reduces the salesman's chance to get weight for his car in direct ratio to the quantity of meat that they sell.

The development of the chains, of course, has been
2224 spotty over the car route territory, and where they have developed to a considerable extent it has had a very, very pronounced effect. I know of instance after instance where we have been compelled to reduce our service in a given territory from three to two times a week, or from twice a week to once a week, in territories where we have operated for years that given service, and by reason of the reduced volume obtainable for this car, we have had [fol. 1148] to reduce the service to the balance of the trade. I can think of some cases—for instance, Elkhart, Indiana, out of Chicago, we gave three cars a week for years. We have recently had to cut that to two. Danville, Illinois, is in the same situation. At our East St. Louis plant, where there has been a very big development of chain stores in Southern Illinois, Southern Indiana and Kentucky, and Southern Ohio, it reached a point where we have had to cancel a great many cars. I would just like, if I may, to give you some figures on our East St. Louis plant. Starting with 1925, we shipped 8,146 car route cars out of our

East St. Louis plant. We had a volume of 106,948,000 pounds in those cars. In 1926, we began to get this development of the chains, the big chains, particularly, and the development of these warehouses, the establishment of warehouses at Louisville, Kentucky; Cincinnati, Ohio; Indianapolis, Indiana, Huntington, and a number of places throughout that territory. They had to reduce that
2225 service to 7,000 cars, with a total of 93,000,000 pounds. In 1927, they had to cut it down to 6,700 cars. In 1928, there were 6,400 cars, with 75,000,000 pounds, and in that year we had to pay the railroad penalties of $57,000 out of that plant, because of sending out so many cars lightly loaded. The penalties had always been a negligible factor before, but they jumped to $57,000. We had been going along, hoping that this was a temporary situation, or that we would be able to meet this chain store situation, and we tried to maintain the service as nearly as we could. Finally, in 1929, we saw that we would have to adjust, to a very radical extent, that service. In 1929 the number of cars shipped from that plant was 4,341, a drop from 8,146 in 1925, and the total volume from the plant was 67,000,000 pounds. The situation is even continuing in 1930. We will ship even fewer cars in 1930 than we shipped in 1929. We cannot obtain the largest part of the chain store business in a car route territory for our car routes, for as I have previously explained, they followed the practice of establishing warehouses at central points.

[fol. 1149] Ordinarily these warehouses are in some city, and they buy their packing house products in car-
2226 load lots and then redistribute by truck to the stores out in the car route teritory, along with their canned goods, fresh fruits and vegetables. When we do occasionally prevail on them to utilize our facilities, for delivery, we find it unprofitable, because they will not give us their entire requirements. They go along, and they may use us as a convenience, say, perhaps on some little item of fresh meat, or something of the kind, where it is more convenient to utilize our facilities than to redistribute from their warehouse. They may give us a group of orders for each individual store, but ordinarily those orders are so small that we can not make a profit on them.

I would like to explain, in that connection, that we have to pay the railroad company a minimum freight charge

on each individual shipment, just the same as if we offered that shipment to them for shipment by local freight. This is in addition to the penalty. Ordinarily, that minimum is equivalent to the class rate on 100 pounds of the highest rated commodity in the shipment. In other words, when we have a shipment for any individual dealer or any individual store, consisting of less than 100 pounds, we have to pay the railroad company the minimum charge, equivalent to the charge on 100 pounds of the highest rated commodity in that shipment.

For that reason, when these chains give us some business, it ordinarily only consists of a few items. Maybe the aggregate of them will be several thousands pounds for the car, but distributed among a large number of stores and a large number of different towns, the individual orders
do not constitute 100 pounds, so they are unprofit-
2227 able, by reason of the extra freight that we have to pay on them.

[fol. 1150] Naturally we have tried to maintain our service to the best extent that we can, and in an effort
2227 to do that, we have expanded and reached out, and sold little dealers that we formerly did not solicit, because of their size; because ordinarily we could get sufficient volume in the past without taking on that small class of trade. We have been compelled to go to the smaller towns and to the smaller dealers in the towns we do work. As an evidence of that, our average weight per order has decreased from 206 pounds in 1923, to 165 pounds last year.

In 1925 we were selling 65,000 customers in car route territory. In 1929 we had raised that to 83,000, but
2228 we have taken on a greater number of small orders.

Before 1924 and 1925, an order of less than 100 pounds was an unusual thing on the car routes. It was against our policy to take them, and it was understood by the salesman that orders of less than 100 pounds were not acceptable because they were not profitable. It was fairly well understood by the trade to be a practice of the industry.

We have had to change our ideas on that, because we have been forced to get out and get this small trade. In 1929 approximately 35% of our total orders were for less than 100 pounds, on each one of which we were penalized, not only in the matter of the expense of getting them, but

also in the expense of delivering them, by reason of having to pay a minimum freight charge on 100 pounds.

Our credit losses increased more than $160,000 last year, over 1920.

It is the custom of chains to buy what bargains they can in the city in which the warehouse is located. If there happens to be a glut in that particular market on any perishable item, they buy it at the best price they can, and with their trucks they redistribute out into the car route
2229 territory, and that has a depressing effect on the market level in these car route towns, because that glut may not exist at all at the plant from which these cars emanate. Perhaps the glut in this city, 75 or 100 miles
[fol. 1151] away, would not have been felt under the old conditions, but the chain spreads that. They buy
2229 that product in the market that is glutted, and ship it to their stores, so it has a depressing effect on the level of prices.

Prior to the development of hard roads, the competition in the average car route territory was limited pretty well to the packers who shipped car routes in that territory and to the packers who had local branches, and to the local packers who were in the immediate vicinity. Since the development of hard roads, many of the small packers from the various cities around have spread their truck deliveries. It permits them to get out with quick, rapid delivery into territory that they formerly had no access to. So, the competition from your small local packers in the average car route territory has greatly increased since 1920. It has reached a point now where I would say that almost every little town, and almost every customer in car route territory, has an opportunity of buying from 10 to 25 local packers, in addition to our meeting Armour & Company in that territory, and Wilson & Company,
2230 and Cudahy & Company, with their car routes or branch houses in a great part of the territory, or at least some parts of each route.

In our car route territories, we come into contact with all types of competition. We meet the big packer,
2233-34 with his car route and branch house, where they overlap; we meet the so-called western packer, the Iowa packers who have car routes expanded over al-

most the entire country. We meet the local packer, we meet the local slaughterer, we meet the farmer killing his own products and selling them to the dealers in the town, and that is quite a considerable factor of competition, particularly at certain times of the year in car route territory.

This small order, small delivery problem, as our car routes are concerned, can be very definitely helped by handling other items.

To begin with, our salesman, as I say, calls on these deal- [fol. 1152] ers at regular scheduled times, and when he is in a store he could just as easily take orders for canned goods and other items of that kind. It would reduce our selling cost per call, and it would greatly reduce our delivery charges, particularly on these small orders, that now do not contain the minimum shipment; and it would also enable us to operate to give better service in our cars, because we would have more weight in the cars and we could give more satisfactory service without penalties.

In shipping by our refrigerator cars, we can make up the minimum weight with any kind of mixture at all, so as to avoid the penalty. In the so-called peddler car, all
2230 commodities go to make weight, in practically all freight classifications. I believe in Western Trunk Line territory at the present time that is not true, but in Southeastern and Southern and in C. F. A., and in various freight classifications, and in practically all car route territory, all commodities go to make weight in the cars, and there is no economic reason why that should not
2231 be true in the small section where it does not now apply. I do not think there would be any difficulty in making that change.

We would not get any reduction in the freight rate but would be allowed to make up our minimum by a variety of articles. We would pay the same rate as any other shipper, just the same as we do now on packing house products. We do not get any preferred rate, in so far as the freight rate itself is concerned, and we would not on canned goods, but we would be permitted to take the revenue from the canned goods and apply it against the minimum necessary for that car.

I know of no reason why it should be easier for chain stores to service their individual stores by truck at a

greater distance than we could ship them from our
2246 branch houses other than the advantage they have of loading a great number of different items in the [fol. 1153] truck. On the one hand, they ship only to their own stores, while from our branch houses we can service all of the stores. On the other hand, they have the entire requirements from the store while we have a large
2247 number of packers competing for the requirements of each dealer we serve. We serve, of course, a larger number of dealers than any of the particular chain.

There has been quite a development in the past few years in voluntary chains. That development is more recent than the regular chain, but it is becoming quite pro-
2231 nounced and from present indications is growing to be almost as big a factor as the chains themselves. In a great many localities these voluntary chains are organized by wholesale grocers and they service these individual stores along with the groceries, with items such as produce, oleomargarine, and refinery products. In addition to that, there is a practice growing up of these
2232 wholesale grocers designating certain packers from which the individual members are to purchase their requirements of fresh meats, cured meats, and packing house products of all kinds.

We have run into quite a few instances where these wholesalers have solicited the packer for a discount to be paid them at the end of the month on the total purchases of the members of that association in return for which they designate to those individual members a certain packer and instruct them to buy from that packer. Such a plan gives them much the same buying advantage as chain stores, although we still have to give them independent service and make individual collections. I have no knowledge as to the quantity or proportion of voluntary chain business covered by instructions of that sort, nor of the extent to which member stores follow them where those instructions are issued. Except in so far as they do
2248 such collective purchasing or bargaining with designation of packers, I should say that the voluntary chain store has about the same relation as the independent dealer.

[fol. 1154] All our car routes are mixed cars loaded with everything a dealer buys from us, such as produce,
2235 refinery products, oleomargarine and soap, in addition to meat products. We have not, for a number

of years, handled canned fruits or vegetables or the
2236 other items listed in the Consent Decree, on our car routes. At present, more than 50% of the cars we operate are carrying penalties of varying amounts, running in extreme cases up to $55, $60, $70 per car. The ratio this bears to the load of the car depends upon the minimum revenue requirement. If the minimum revenue requirement of that car is $90 and we have only enough freight in it to produce $20 revenue, the penalty would be $70. The minimum required is that revenue which would be derived from shipping 10,000 pounds, or whatever the minimum weight is, on the particular commodity on which the minimum rate is based.

It is not a minimum load at 10,000 pounds, but a load which would make up the same revenue as 10,000
2237 pounds of the prescribed shipment. This varies some in different weight classifications, but it narrows down to the point where we must guarantee the railroad company a given amount of revenue per car; that may be $150 or $90 per car, depending entirely on how far the car peddles. The car has to move whether it has a
2237-38 small or large load. It has to maintain schedule service because the trade is depending upon it to get their requirements and must not be disappointed.
2238 If it is not loaded up to the minimum, we have to pay the difference as a penalty, but I do not think the car is required to contain some meat products in order to meet the peddler car requirements; I have never known, even in the days when we handled other products, of a single car that did not contain a fairly good percentage of packing house products. If, in those cars which we move subject to the penalty, we could also load canned goods and other grocery lines to help up the minimum requirement, it [fol. 1155] would save us the penalty. This would not enable us to avoid the payment of freight. We would have to pay the freight on the canned goods just the same
2240 as if we shipped that by local freight. We would not get the privilege of shipping that free; we would have to pay it on each individual shipment of canned goods, but in so far as saving us the penalty is concerned, it would have that effect. While these goods would go into the car at their respective L. C. L. rates to their respective destina-

tion points, it would not cost us any more to move the car loaded with both meats and groceries than to move it with meats alone, so long as the load remained within the minimum requirement. The penalty runs, sometimes, as high as 50% of the minimum, so that in some cases, we
2241 would be able, perhaps, to double the load in the car without increasing the freight charge on what we moved in the car.

2242 While many grocery lines do not require refrigerator cars for proper handling and preservation, we have the cars and we have the service already, and we
2243 ship the cars over given routes.

Whether the car contains 10,000, 15,000, or 20,000 pounds, it does not increase the overhead, the icing cost, the investment in the car, or anything of that kind; the more weight we can put in the car, the less the unit of cost to us. So far as we could put additional canned goods in those cars without exceeding the minimum weight, we would be at no extra expenditure for transportation, and in fact, it
2245 would remove the handicap and disadvantage under which we now operate in our packing house line.

2250 For instance, if we assume that the minimum is 10,000 pounds, and the rate is $1 a hundred, 8,000 pounds at that rate would come to $80, but we would still have to pay $100 to move it in that car. We could then, without paying any more money, put enough groceries or any other specific products up to 2,000 pounds in that car to raise the rate up to $100 without paying out any more
2257 total revenue on the car. I think we must make a distinction. I do not want to get this confused in your mind at all.

[fol. 1156] This does not relieve us of any freight charge at all—it relieves us of a penalty. On the other hand, if we shipped 8,000 pounds of packing house products by
2258 local freight, we would not have to guarantee any
2259 particular minimum. The guaranteed minimum is an incident to our being allowed to send out cars on scheduled routes. Neither does the wholesale grocer sending 2,000 pounds of groceries in regular freight through the local station have to guarantee any minimum. But in our own handling the final effect is that so long as we put additional goods into the car without exceeding that rate base
2263 minimum, however that may be figured, we can do so without paying out any more money than the total

charge of moving the car. Of course, if we then go ahead and put in more groceries or other lines above the minimum, we would have to pay extra on that excess over and
2261 above the minimum at the L. C. L. rate for that product.

2252 Refrigerator cars do not move any differently than non-refrigerator cars in so far as rapidity or frequency of movement is concerned. Our cars operate on a regular schedule over a given route in accordance with the published schedule of freight trains on that route. We do not receive any preferential schedules from the railroads to do that. We simply adapt our schedules from the local schedules on the freight trains on that route.

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(73) CHARLES S. NELSON, district manager, Armour & Company, Lynchbug, Virginia, testified in substance as follows:

2263 My territory, covering Virginia, West Virginia, and Eastern Tennessee and Kentucky, contains 23
2264 branch houses and has a population of 2,300,000 as against 1,990,000 ten years ago.

Richmond, Virginia, with 324,000 population, is our largest branch house town, while the smallest is Mullens West Virginia, with 24,000. All our branch houses in this district were open in 1920 except one, in Beckley, West Virginia, opened in 1928.

We handle fresh meats, provisions, produce, and in a limited way, canned fruits, a little coffee, apple butter,
2282 jams, evaporated milk, preserves, and peanut butter.

We have 98 salesmen, or 35 less than in 1920.

2265 The A. & P. chain has 786 stores in this territory as against 61 in 1920. Of these, 337 have meat departments as against none in 1920.

[fol. 1157] Kroger entered the territory in 1929 and has 245 stores with 123 meat departments.

Pender has 523 stores with 350 meat markets.

2266 Sanitary, new since 1920, has 71 stores with 11 meat markets.

We are, for the most part, unable to sell these chains any butter, cheese, canned milk or pork and beans, because they either have their own brands or sources of supply.

Kroger also has two packing houses at Cincinnati and Columbus, Ohio, and buys its lard from Cincinnati, and I do not contact with their salesmen there.

We sell the A. & P. meats for their Virginia territory. Their West Virginia and Ohio territories are supplied from central warehouses at Pittsburgh and Cincinnati,
2267 and those in Tennessee from Louisville. They deliver to these stores from their warehouses in their own trucks loaded early in the morning or the night before. Kroger has two warehouses in my district; one at Roanoke, and one at Charleston, West Virginia.

2268 In the voluntary chain class, Quality Service Stores have 886 stores with a local secretary or committee that looks after their advertising and buying occa-
2268 sionally of certain car lots like milk, sugar and flour. It is hard to get your products into these stores unless you contribute to their local advertising, and then, sometimes, they ask you for a rebate at the end of the month which goes to maintain this local advertising. 75%
2269 of these stores sell fresh meats, and are regular combination grocery and meat shops.

I. G. A., another voluntary chain, has 245 stores in my district, sponsored by Lewis, Hubbard & Company of Charleston, West Virginia, and operated much the same as the Quality Stores.

Also, in the voluntary list are Reliable Service
2270 Stores in Roanoke with 76 stores, three-quarters of them with meat markets; Nationwide Stores in Danville with 50 stores including 30 meat markets; United in Grafton with 60 stores, of which 40% have meat markets.
[fol. 1158] All of these stores, with or without meat de-
2271 partments, handle cured meats, pork and beans, and butter, and with their private brands it has made quite a difference in my business, created surplus space in our branch houses, lightened our truck loads. Our branches and trucks average 15% or 20% unused space and we have closed up eight branches in my territory.

On account of the development of chain stores and cooperative chain stores, we closed our branch in northern West Virginia, at Elkins, W. Va., at Middlesboro, Ky., and about two years ago we closed our branch at Alexandria, Va. After making a survey there, we found that the chain stores delivered about 50% of the meats and grocery prod-

ucts that were dispensed in that section and the branch was a losing proposition, so we closed it. Then about two years ago, we closed the Morris branch at Richmond, Va., and Newport News, Norfolk, Lynchburg and Roanoke.

2272 At the time we closed the Norfolk branch, the Chamber of Commerce there made a survey and found that through the tidewater section of Virginia about 63 per cent of the meats and groceries were dispensed by chain stores.

There are a great many more independent stores in my territory than there are of all the chains combined.

2278 The chains truck over greater distances from the warehouses to their member stores, sometimes, than we do from our branch houses to our customers. For instance, A. & P. truck from Richmond clear down to Bristol and Johnson City, a distance of 350-375 miles. Of course the combined amount that we sell to all independ-

2279-80 ent stores in Bristol is greater than the combined amount the A. & P. furnishes from its warehouses to its member stores there. And we can truck to the independent stores in Bristol just as cheaply as the A. & P. can truck to its member stores there. However, A. & P. has replaced a lot of independent merchants

2280 there and cut down the purchasing power of the merchants that are left. We have lost the business the A. & P. stores have taken.

[fol. 1159] Local surveys indicated that 50% of the meats and groceries were dispensed by chain stores at

2272 Alexandria, Virginia and 63% at Norfolk, Virginia.

The trouble with our business is a hand-to-mouth buying, as we call it. The orders have decreased from year to year; in the last four or five years there have been more of these private brands and chain stores, and with the Quality Service stores organizing more and more, it has had quite an effect on my business. The independent

2277 merchant who is left has not got the purchasing power. His business is more of the hand-to-mouth business, the same as ours. The latter do not carry the stock they formerly did, and many of them have been very unreasonable in expecting frequent deliveries, sometimes as high as two or three a day. This places those who are in a position to make the quickest and most regular deliveries in an advantageous position as compared with those

who are not,—even in grocery lines, but more so in perishable products like ours.

We have daily public trucking service available two or three times a week out of every town of any size, and
2273 they now can reach many points formerly inaccessible,
2274 because of the development of good roads.

We have been bothered more in the past two years with products killed locally by farmers. As an illustration, I have in mind a coal company that formerly bought from us some 8 to 10 cattle for its 17 commissaries. Some three weeks ago, they notified us that they had made a contract with a farmer who was going to supply their requirements of beef the next four or five months. That kind of business has been growing in the southern field near Norfolk, Williamston and Bluefield. We have lost business. I have in mind four or five large coal companies to whom we were selling beef, lambs and cattle regularly that are now being supplied by local farmers.

This has also cut down our turkey business to virtually [fol. 1160] nothing, as produce people are trucking them in anywhere from 100 to 175 miles. We have whole-
2275 sale grocers at all branch house points, and a majority of them have their own trucks, making store door deliveries over a radius up to 125 miles. Out of the lines we handle, they handle dry salt meats, lard substitute, canned meats, cheese, produce, and some hams and bacon.

If we could handle other lines through our branch houses and trucks, it would help us utilize this idle space,
2276 reduce our overhead, and operate our trucks at full capacity, and would not require any additional expense in these branches, either for salesmen, rents, office force, or management.

2291 (74) T. E. Ray, District Manager, Swift & Company, New York, testified in substance as follows:

My territory embraces greater New York City and surrounding territory in a radius of 50 to 80 miles. I have been with Swift & Company 28 years.

2292 Prior to 1920 we dealt principally with the individual butcher trade. Since then, chain stores have begun handling meat. A. & P. is the major one; also Wil-

kinson & Gaddis, Strauss, American Grocers, Oppenheimer, the Bohack Company, James Butler, Charles Wagner, Daniel Reeves, Gristede Brothers, and Thomas Ralston; also First National, in the tip of our territory. They handle mostly cured meat, but some fresh meat. There are 9,400 chain stores in the New York territory, of which 1750 handle meats.

2293 Wilkinson & Gaddis were formerly wholesale grocers and started handling meats in 1928. They have 328 stores, of which 88 have meat departments, but still sell wholesale to outsiders.

2294 Chain store development has compelled us to expand our sales force and comb the smaller trade to the extreme of good judgment in selling customers that we would have deemed too hazardous some time back. The [fol. 1161] result has shown up poorly, with increased trucking equipment required, and credit losses 50% greater than formerly.

2298 Before we took on this small trade, considerable of it was taken care of by jobbers operating with trucks,
2299 who gathered up products and resold them to this trade. They seemed to stay in business, some of them grew, and I assume it was profitable to them. I
2300 think we are in as good a position as other packers, large and small, to sell to the chain stores what they
2301 buy in meat products; and we do sell to chain stores. But we have sought out this small trade because we have felt we wanted to maintain our broader distribution. We have in my territory between 17,000 and 19,000 regular customers, figuring open accounts. The 9,400 chain stores in my territory represent 50 different systems and take around 8% of the business that flows through our
2302 branch houses, of which about one fifth, or between 1% and 2% of the whole, goes to the largest chain store buyer in my district.

2294 The Gobel Company, a meat processer, operates a retail meat chain in my district; and the HyGrade Company, which has some packing plants, also operates some chain stores.

2295 Petitioners' Exhibit 155 shows the profit and loss results of branch houses at points there listed, during the three periods there indicated. These are merely

representative branch houses. The red figures indicate losses.

2296 The influx of chain stores came in the latter half of 1927, and the deluge of 1928 and 1929.

There are 450 wholesale meat dealers competing with us in Greater New York and vicinity, of which only 25 could be classed as packers, and only 4 or 5 are slaughtering packers who slaughter right in that territory. There are at least 80 others that ship in from outside, including Armour, Cudahy, Wilson, Cudahy Brothers (there are two distinct Cudahy concerns), Morrell, etc.

2298 I assume that practically all the large interstate packers east of the Rocky Mountains do business in our New York market at some time or other, but these 80 or 90 are doing a regular business there.

[fol. 1162] Petitioners' Exhibit 156 was here received in evidence, being certified copies from the Interstate

2304 Commerce Commission of certain documents in the case of the National Wholesale Grocers' Association of the United States against the Directors General, Alabama & Vicksburg Railway Company, et al. The papers offered in evidence are: The petition of intervention of Swift & Company and the order of the Commission allowing intervention, September 3, 1919; the petition of intervention of Armour & Company and the order of the Commission entered September 5, 1919, allowing intervention; a letter dated Atlanta, Georgia, February 10, 1920, addressed to the Secretary of the Commission and signed by Mr. Watkins' firm, with the enclosures referred to therein; and a letter from Mr. Watkins of March 12, 1920, addressed to Mr. Aitchison, signed by Mr. Watkins as attorney for the Southern Wholesale Grocers Association, in cases Nos. 10,745, National Wholesale Grocers' Association of the United States vs. Director General, Alabama & Vicksburg Railway Company, et al., and 10,745, sub number 1, Southern Wholesale Grocers Association vs. Southern

2305 Railway, Director General, Agent, et al.; also certified copies of the opinion and decision of the Interstate Commerce Commission in that case, the first being the original decision and the other being on a sub hearing.

The above case is reported in 62 I. C. C. 375.

2306 Petitioners' Exhibit No. 157 was here received in evidence, being certified copies of the complaint and

decision under the Packers & Stockyards Act in the case of Secretary of Agriculture v. Armour & Company, et al., Docket No. 19.

[fol. 1163] Petitioners' Exhibit 158 was here received in evidence, being a copy of the report of the Honorable George Sutherland and the Honorable Henry W. Anderson made to this Court in this case in their capacity as trustees of this Court, for the purposes stated in the order making them trustees.

2307 Petitioners' Exhibit 159 was here received in evidence, being a copy of a subsequent report made by the Honorable Henry W. Anderson, as surviving trustee, after the resignation of the Honorable George Sutherland to become a member of the United States Supreme Court.

2310 (75) EDWARD A. CUDAHY, JR., President, Cudahy Packing Company, Chicago, Illinois, testified in substance as follows:

I have been with this company since 1905, President for the past 4 years, and Vice President before that.

2311 We have meatpacking plants in Omaha, Sioux City, Kansas City, Wichita, Jersey City, Los Angeles, Salt Lake City, Detroit, and St. Paul; and handle the whole meatpacking process beginning with the purchase of the livestock.

We have 200 car routes and 82 branch houses. We have closed 22 branches since 1920, 11 of those in the last five years. We sell over practically the entire country. The Cudahy packing Company has no interest whatsoever in Swift & Company, Armour & Company, or Wilson & Company, and neither Swift or Armour has any interest in the Cudahy Packing Company.

2313 I know of no agreements between any of us with regard to manipulating market prices in the purchase of livestock or the maintenance or fixation of prices in the selling of the finished product or covering any phase of the business.

[fol. 1164] The competition is very keen in both ends of the business. We use all methods of buying livestock,—salaried buyers and order buyers on public yards, and direct buying from the country.

2314 Our sales to chain stores have resulted in a growing lack of need of the branch houses as a distributing factor, because of their concentrated buying as compared with the ordinary retailer. They tend in the direction of doing their own processing, and no doubt find it, as we have found it, the most profitable end of the business.

2315 Our export business has greatly decreased, due to increased European independence in raising foodstuffs and livestock. This has happened to a number of meatpacking concerns, forcing their products on the domestic market, especially pork products. Cudahy Brothers in Milwaukee before the war probably did 65% of their business in export, and in the last few years have had to change over to a domestic basis of distribution. Cudahy Brothers have been confronted with the problem of whether they would do it by branch houses, which means a considerable investment and expense, or car routes. They have tried both methods and they have not been very successful, since they lost that export business. It has

2316 no connection with our company. There has been a very considerable increase in meat packer competition in the last 10 years, due to this export restriction; also to a decrease in the supply of available livestock, and to the growing smaller factors in the business who have been able to make money where some of their competitors have not. This has been fostered by the growth of chain stores and the ability of the small packers to sell to them in car lots at quite satisfactory prices, and undersell the large packer because of the latter's increasing branch-house burden.

2317 The development of hard roads and motor truck transportation has also strengthened local packer competition, both in the sale of their products and in enabling them to go further for their livestock, where they do not operate on terminal markets.

[fol. 1165] In addition to meat lines, we handle produce and Old Dutch Cleanser. The latter we distribute not through our regular meat outlets but through chain stores and wholesale grocers.

2318 I think that a monopoly in the packing industry is impossible. I do not think any packer or group of packers enjoys the profit to enable them to sell their products so cheaply as to acquire a monopoly, nor that they

could sell them so high as to monopolize the trade, because of the perishability of the product and the necessity of keeping it moving. The only way it could be done, if at all possible, would be to gather in the available supply. This would mean to pay more money than other packers could afford. This would simply cause small packers to decrease their business until there was a different adjustment. That is the advantage of the small packer's position. If business is unprofitable, he does less; but the large
2319 packer takes the available supply that comes to the market, often at a loss. The small packer's business is more elastic.

It is impossible for meatpacking concerns to control either the supply of livestock or the amount of meat consumed or the amount of consumer demand. Consumer demand varies daily. There are so many factors that enter into it, including such as the fish supply on the seaboards, church regulations, fast days, that the market is never stationary.

2320 In so far as our company's attitude is material to the question, we are agreeable to any modification in the Consent Decree of 1920 that the Court may see fit to grant, provided it is made applicable to all concerns.

If one or two leading packers should become able for any reason to sell their product cheaper than their competitors, the public would tend to leave their competitors and pur- [fol. 1166] chase from them instead, in which case the competitors' business would become correspondingly less profitable, and if that trend continued they would have to go out of business; and if this superiority on the part of the one packer continued, the result might be the acquisition of a monopoly.

2321 It is our purpose, as of other business men, to sell our product at a price that will yield us the greatest total profit; and if we were to achieve such a monopoly, and could increase our total profits by raising prices without the checking influence of competition, we would
2322 do so. And if we had been able to draw the public trade away from our competitors and to our business, with the result of a practical monopoly, there would be nothing to prevent our doing so. My answer is based on the assumption made by Government counsel that we would be able to sell our products cheaper than our com-

petitors. I do not think anybody has enough money
2324 to complete the first phase mentioned, which is to sell cheap enough to acquire a monopoly. You will
2326 always find one packer come in where one goes out.

By Mr. Teegarden:

Q. Provided you can do business cheaper than they?
A. That is provided we can yes; but we can not.
Q. I know, but I am dealing with that hypothesis now.

2323 The small packer operates more cheaply than the large packer, so long as he keeps to a restricted territory, both in buying his livestock and selling his product. But if he spreads out into national distribution, with all the expense that goes with it, his costs are not
2321 cheaper. We find ourselves in a position of having to do business every day, whether we like it or not. We have an organization. We have our outlets. We have our trade that looks to us for supplies. We feel
2322 in a good many lines that we have superior products to those of our competitors and we have to stay in the market, whether we like it or not, both in the matter [fol. 1167] of supply, in the operation of our plants and also in the sale of our product.

It is not necessary for one concern or a group of concerns, if cooperating together, to have a control of absolutely every item of business in their line in order to have an effective monopoly. The business understanding of monopoly is, sufficient control of the business to exercise domination in the matter of price.

2325 When I refer to controlling the supply of livestock, I do not mean going into the ranches and producing the livestock, but controlling the price. If I were a small packer and meat prices had been pushed down to such a level that I could not operate profitably, I would restrict my business till the storm blew over. The first place they would go to acquire a monopoly would be the buying end. They would have to depress the price of livestock.
2326-7 That is the big cost factor, although it is still true that the depressing of any cost below our competitors' would tend to place us in a favorable position where we could sell our product more cheaply than they.

Upon Government counsel's assumption that there was a practical monopoly in the only market in which livestock could be sold, it would then also be able to control the purchase price of livestock. If it depressed the price of livestock substantially below the normal price level, it would affect the flow of livestock to the market.

2328 Livestock is really converted grain, and if the price of livestock drops too low, the farmer tends to stop feeding and to market the grain itself in-
2329-30 stead. However, 85% of the corn crop and a large portion of the entire grain crop is fed to livestock, and if this were thrown on the market instead, in large quantities, it would produce a corresponding surplus in the grain market, with the depression of prices [fol. 1168] there accordingly. This change from feeding to marketing would operate principally with the feeder farmers.

2328 With range farmers or producers, depressed livestock prices would cause, over a longer period of time, a tendency to market his calves and breeding stock and decrease his herds.

2329 Where the land on which such livestock is raised is not suited for other agricultural uses, however, its owner would have to go on raising livestock on it and selling it to get any return out of it at all. It is certainly true that the smaller portion of the farmer's costs consists of operating costs, that is, those costs which cease going on when he ceases producing. The rest, his
2330-1 interest on land and equipment, and even his fixed labor cost, must go on; and so long as he can continue producing at a price that will give him some recoupment of these fixed charges, it is to his advantage to do so.

A depression of livestock prices results in the curtailment of livestock production to some extent. For instance, during the war the hog population of the country got up to 64,000,000; but next January the government report on hogs on farms will not be be over 49,000,000. But so long as the farmer can get the best profit on his land only by producing, he must continue to produce. Otherwise his land lies useless on his hands.

In a practical way it has been profitable on an average for the farmer to raise hogs and feed grain. A great many agricultural colleges tell the farmer, "Don't go out of the

hog business when it is unprofitable; that is the time to stay in it."

[fol. 1169] Assuming the existence of such a monopoly, and assuming that it is able to operate with a tremendous
2332 business on a national scale in all parts of the country at costs enabling him to sell lower than the bulk of his former competitors who went out of business, then, in that case, if a local packer should decide that prices are profitable and that he could make some money, and be impelled to go into the business, it would be possible for the national packer to reduce his prices in that local community, sustaining any profit or loss therefrom from his profits on the rest of the country, so that it would be increasingly difficult for this new competitor to do business at a profit. That largely depends, however, on the efficiency of that competitor. We have seen competitors being put out of business all the time but it is due mostly to their own inefficiency.

2333 The elasticity of the small packer, even in the face of a monopoly, is such that he can expand or contract his business, whereas the large competitor cannot. I have one particular firm in my mind that a few months ago was killing 5,000 hogs a week, but he could run and has run at the rate of 30,000 a week. The efficiency of the small competitor would simply go to his power to combat this monopolistic condition. It would not alter the power of the monopolistic packer to undercut the local competitor who might spring up, and sustain his losses in doing so
2333 from his business as a whole. But the monopolistic packer would lose at least ten and probably more dollars doing it, and in a practical way, he could not hold out, could not continue the process long enough, because there would be so much loss in the business, depending upon the number of potential competitors who would try to get into the business against him.

[fol. 1170] Assuming a monopoly, their knowledge of the monopolistic packers' large size and power, and abil-
2234 ity to cut prices locally against any competitor that might spring up would exercise a substantial preventive effect upon them from attempting such competition.

2343-44 Q. With respect to the purely hypothetical state of affairs that Mr. Teegarden assumed in some of

his questions, it is in evidence in this case that there are approximately 1,000 different meat packing concerns operating under the Packers' and Stockyards' Act of 1921, and that their total volume of business in 1929 was approximately $4,500,000,000. While we are in the realm of hypotheses, taking the facts as they are, those figures, and the facts as you know them practically to be, if one concern sold lower than all the others, how long, in your judgment as a business man, could that one concern stay in business?

A. About one day.

2344 A price cutter, cutting prices throughout the country, would put himself out of business.

I know of no method by which you could make consumers buy the article when you put up the prices artificially and arbitrarily. The consumer is, after all, the arbiter of prices, and his demand from day to day is quickly reflected in cheaper and higher priced meats. The Cudahy

2344-45 Packing Company has been in business 40 years and up to this time we have not found any way to make people buy. I know of no way, as the meat business is at present, that we could sell cheaper than all the others, unless we could obtain raw materials cheaper than

2345 all the others for any length of time. Nor do I know of any advantage we have that would enable us to pay higher prices for live stock and sell their products [fol. 1171] cheaper than all others. Any advantage of one packer over others is almost entirely in the better selling of his products. Raw material costs us all, broadly speaking, pretty much the same.

I think that packers could retail meats more

2346 cheaply than the independent dealers, but I do not know that it is a step in the right direction.

The chain store has forced the inefficient, inde-

2348 pendent retailer out and packer retailing would continue the same process, but I think there will always be a place for the independent retailer on account of the business getting ability of human contact and per-

2347 sonal service. To the extent that the packer could sell cheaper than the independent, I see nothing to prevent the latter's patrons from leaving him and going to the packer, and if that went far enough to draw to the packer a monopolistic control of the business, the result

would be a practical monopoly. However, I think
2349 chain stores went too far in price cutting and overdid competition among themselves, and the tendency will be to lessen the difference between chain and independent prices, for the protection of their stockholders.

The packer, as retailer, would have to get a reasonable price, too, although I think he would still be able to sell at somewhat less than the average run of independent competitors.

If packers started retailing, I think their present retail trade would tend to leave them, and can see some advantages of one packer going into retailing and another staying out, and capitalizing his position with the independent retailer. If the leading meat packers should go into retailing on a large scale, they would curtail correspondingly the sources of supply now available to the chain stores for [fol. 1172] their meat supplies, and might impel them to go into the packing business for their own protection. They do not know the packing business and would have greater difficulties in it than they have in retailing. It is easier for packers to learn retailing than it is for retailers to learn packing. In case packers should go into retailing on a substantial scale, it would be more economical and advantageous from their standpoint to acquire existing retail markets than to open new ones, and I think it would be necessary for them to acquire chains, rather than
2362 assembling independent stores.

Likewise, if chain stores should find it necessary to go into the meat packing business, it would be more economical for them to acquire plants already operating rather than to build new ones.

To create new facilities in either case would simply create duplication. There is an ample supply both of packing plant capacity and retail outlets today. The result would be a combination of available packing facilities and available retail facilities which would be the economical combination.

In 1929, our total sales to our largest single chain
2335 store customer were $5,000,000, out of total sales of $267,000,000, and in 1928, $4,300,000, out of a total sales of $251,000,000. Our total sales in 1929 to 8 designated chain store systems was between $11,000,000 and $12,000,000.

Our operations are as broad, territorially, as those of Armour and Swift, but not as intensive: i. e., we
2336 have four branch houses in New York City, as against possibly 26 for Swift & Company. I think we sell more products per branch house than our com-
[fol. 1173] petitors. The alternative to serving particular territory with branch houses is to serve it with car routes, or with carload shipments to large customers, such
2337 as chain stores.

When we abandon a branch house, we either serve that territory from other branch houses, or abandon
2339 it entirely. The territory has to be more populous before it could sustain a branch house, as compared with serving it with car routes.

In a way, distance enters into it when we get so far from our plant of production that it is necessary to have a branch house, with storage facilities, to keep a full line of meat products for the trade.

The placing of a branch house at a particular place represents a choice between the former methods employed and this more advantageous method of handling the increased business. General trade conditions enter into the decision; for example, where there is a local packer who is supplying on a moment's notice the requirements of the trade.

2340 We formerly handled groceries and other so-called unrelated lines through our branch houses, but discontinued it in 1920 upon the entry of the Consent Decree and have not resumed it since. We have no plans as to what we might do in case the decree were modified, but I would say that we would not enter the grocery business. Broadly speaking, there has never been in the fresh meat business, the method of distribution from manufacturer to wholesaler and from wholesaler to retailer, although we do sell to jobbers. In the meat packing business, the branch house generally takes the place occupied in other lines by the wholesaler.

[fol. 1174] There are meat wholesalers other than packers and our concern sells not only to retailers but also to wholesale dealers. There has been a very inter-
2343 esting development in connection with the growth of the chain stores in the city of Boston. Our busi-

ness was almost wholly with jobbers, who, in turn, took the meat and cut it up and peddled it, in a great many cases, in wagons throughout the countryside. It was shipped from jobber to retailer. With the growth of the chain stores, those jobbers are going out of business very fast.

I do not know what we should do as to opening retail stores if the Consent Decree is modified. If Armour
2343 and Swift opened them in sufficient numbers, I think we would be forced to it.

2342-43 There have been so many changes in the past ten years, and I presume there will be an equal number, or more, in the next ten, that I do not think I could sit here and say what we would or would not do.

2340-42 Cudahy & Company do not own or operate fertilizer factories, nor tan hides, nor at this time manufacture soap. The price on hides is less now than in 1920. That is true also of tallow. We
2341 manufacture as many by-products as do Swift and Armour in the meat line. We do not manufacture as many inedible by-products as do Swift and Armour nor do we sell groceries through our distributing houses. Cudahy sells, as shown by the evidence in this case, about six times its capitalization, which is from 60 to 50 per cent higher than the percentage of Swift and Armour. I do not know any explanation for that other than that we utilize our facilities more intensively.

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(76) Dr. Paul H. Nystrom, Professor of the School of Marketing in the School of Business, Columbia University, New York City, testified in substance as follows:

[fol. 1175] I went into the retail business at the age of 15 and, from 1910 to 1915, taught business subjects, particularly in retailing, in the Universities of Wisconsin and Minnesota. I then had charge of the Market Research activities of the United States Rubber Company until early 1917; was Sales-manager of the International Magazine Company until 1921; director of the Retail Research Association, (supported by 17 important department stores scattered nationwide), until June, 1927, and in my pres-
2355 ent occupation since. In the marketing school at Columbia University we carry on studies continu-

ously with the help of our graduate students on specific problems in marketing, and also, in my particular field of work, in consumption. We call it the economics of consumption—a study of what consumers want, and what motivates consumers in their choice of goods. Those are my two fields.

I am the author of "The Economics of Retailing"; "The Economic Principles of Consumption"; "Retail Selling and Store Management"; also a book on textiles for retail sales people, and a pamphlet on chain stores, first published by the United States Chamber of Commerce in 1922,
2356 and revised repeatedly since, entitled "Chain Stores, by Paul H. Nystrom; Domestic Distribution Department of the Chamber of Commerce of the United States".

I first estimated the total food bill of the United States in 1923 and have revised it three times since, the last
2356 time in 1928. The first estimate was published in the Magazine of Business, Harvard University. The methods used were quite rough, and the result can only be an approximation. We shall not have authoritative statistics until the present census of distribution is completed. My two principal methods were:

1st. To summarize the statistics of production of consumers goods, with imports added and exports subtracted, and then with an addition thereto of an estimated per-
[fol. 1176] centage covering the margins of distribution.

2nd. To take the results of several studies of the cost of living which have been made here in the United States in various places, and see what proportion of family incomes are expended for food.

These two methods came out roughly with the
2357 same result, and afforded a check on each other. The result reached was that the nation's total food bill amounts to about $24,000,000,000 of which $3,000,000,000 were estimated to have been consumed at the places of production, leaving about $21,000,000,000 passing through retail channels.

I have summarized a number of cost-of-living studies made since 1918 and 1919 in connection with industrial disputes, with the work of charitable organizations, and with attempts to fix the salaries of public employees at fair rates, etc., and I roughly estimate that for the year 1928, between 4,000,000 and 5,000,000 families, totalling per-

haps 20,000,000 people were living at, or below, the
2358 minimum substance level or standard of living. The consumer's budget averages roughly, for all classes, slightly less than 30% epxended for foods.

Similar studies conducted at and since the time of the World War estimate that close to $2,000 is con-
2359 sidered necessary to support a family of five (man, wife, and three children). Taking into consideration the depression period of 1930, I should say that
2360 the number of people in that undernourished classification is higher now than in 1928. This class of people, we may assume, is definitely underfed, and if meat could be placed within their reach at reduced
2360-61 prices, its per capita sale could be increased, without necessarily decreasing the sale of other foods.

[fol. 1177] A "trend" is defined as a movement, as, for example, in consumption, an increasing use of some commodity or a declining use of that commodity. It is
2361 a movement in the application of some method, let us say, of marketing, such as an increased distribution of products through chain stores, or perhaps a declining distribution of products through the mail order method.

Increasing outlets to the consumer results either in lower prices or additional service to the consumer. Either
2362 one tends to increase consumption.

The following are among the outstanding changes in food distribution in the past 10 years:

2362 1st. The growing importance of the general food store is now quite significant and has come to the attention of all business people as well as students, within the last two or three years.

2nd. Increasing distribution of foods through chain stores.

3rd. Mergers of food manufacturing concerns, perhaps the most outstanding economic fact in the past five years.

The most important factors in chain store competition are:

1st. Its large buying power, permitting it to buy directly from manufacturers in such quantities as the latter prefers to sell, and eliminating part of the wholesalers' and jobbers' expenses.

2363 2nd. More limited service, such as refusal to give credit, make deliveries, or keep stores open as long, all of which reduces operating costs.

3rd. Better management than the independents in many ways, such a choice of location, cost accounting methods, the study of consumers' wants and the elimination of lines not in much demand.

[fol. 1178] The chain only eliminates some portions of wholesale expense, but still incurs a large part of it in warehousing, handling, and supervision, which replaces, to some extent, for instance, the wholesaler's expenses for travelling salesmen.

2365 Chains also can advertise on a scale which the independent store cannot afford. There has been a very enormous movement among independent retailers to club themselves together in voluntary chains in the endeavor to approximate the chain power in buying, advertising, and other economies.

2366 There are wide differences in their operating efficiency, but there is nothing that the chain store is doing that cannot be done equally well by the independent with the exception of quantity buying. Where an independent renders special service, like taking telephone orders, their cost is offset by their value to the buyer.

2367 If chains and independents render the same service, comparatively, the two classes would be equal. There has been and there is now a very rapid and interesting development of general food stores selling everything to be used for the preparation of meals at home. It has come into public notice particularly during the last two years. The general food store offers a splendid means of expanding business as against the other type of small unit selling but one type of commodity, as, for example, the dry groceries.

2368 According to my observation there is not any indication that a saturation point has been reached in the chain store system of doing business. This is true of all types of chain stores. My answer may be modified to this extent, that certain types of chain stores, such as small chain grocery stores selling only dry groceries, have apparently reached a saturation point in some communities, [fol. 1179] but the chains in such communities have increased their volume of business by the adoption of the

general food store, and I have not any doubt that there will be other things happening; new developments in marketing to be utilized, both by chains and by independents, which will cause an increase in growth in the chain stores in lines perhaps not even yet started. The combination food stores are continuing to grow and I think there is a fundamental reason for this growth in consumer
2369 demand. I think that more and more housewives are objecting, or at least are finding it distasteful, to have to buy their requirements for the dinner table at several different stores. The women are finding an increased number of activities which are taking up their time, particularly in our urban life; and to have to go to one place for fruits and vegetables, to another place for meats, another place for groceries and somewhere else for other articles, just kills their time. Consequently, the establishment of an institution that serves their precise requirements, both as to foods and as to time and energy, has every possibility of continuing to grow for some time to come. Some of the retail grocery stores, independent grocery stores, and I take it chains as well, have found that the margin from handling, let us say, the dry grocery line, has been driven down by competition to the point where there is less profit for the owner, and taking on these new lines makes it possible to spread the overhead, including such items as rent, light, heat, insurance, etc., over additional lines, and in that way to get a new lease of life on the profit making.

2370 Mergers of food manufacturers during the last five or ten years have been actuated by the increas-
[fol. 1180] ing cost of marketing, the keener competitive struggle, and the growing buying power of retailers, particularly chains, all of which has made it necessary for manufacturers to stabilize their expenses and put themselves on a parity in bargaining with these large
2371 retail organizations. This they can do by unifying sales organization, and substituting them for brokerage service, reducing warehouse, and to some extent, transportation expenses, and creating a centralized supervision, with resulting reduction of credit losses, and unnecessary advertising expenses. If the four leading packers were permitted to handle non-meat lines, this would add additional competitive factors to the distributive organization, resulting either in lower prices, or improved service to the

consumer, and would afford them in general the
2372 same sort of economy as the chain stores have been able to work out in buying directly from manufacturers. It is a fact that the addition of larger or more competitive factors necessarily makes for either lower prices or improved service. This is almost an inevitable result of increased competition. If there were a further integration of the packing business, taking into consideration the manufacturing functions and the wholesale function now performed by the packer, there would be the possibility of discovery of methods eliminating certain expenses that are now incurred by concerns in branch lines of industry which might be integrated. There would also be the possibility of eliminating the expense of marketing from one branch of the industry to another; of the selling expense and of the time expense. There would be the elimination of credit operations, record keeping, and of credit losses. In general, there would be about the same sort of economy in principle as the chain stores have been able to work out [fol. 1181] in assuming some of the functions of wholesalers in buying directly from manufacturers. That would be the logical result of the packers entering the retail food field. I do not think this would apply if they should confine their retail activities alone to meats. And I am of
2373 the opinion that it would be economically unsound for the packers to attempt to confine their retailing to meats alone.

Integrations may be vertical: that is, uniting the various steps of production and distribution that occur between the first producer of raw materials and the ultimate
2374-75 consumer; or horizontal: that is, combining a large number of concerns dealing in common or diversified products, that compete with each other. Both are going on today in industries of all kinds. With conditions as they are today, I do not believe the question of competitors and their elimination from business is practical in the food industry. First, because of the large number of concerns now engaged in it, and second, because of the relative ease with which new concerns may be established, and existing concerns may expand: and third, the resistance of consumers themselves, who turn to other diets and foods in case they were confronted with coercive measures or un-

reasonable prices. If price maintenance were at-
2378 tempted, sales would fall off immediately, and the lower price competitor would get the business.

2377 With conditions as they are today I do not see the possibility of the elimination of competition, or the crushing of competitors, in the food industry. In the first place, the large number of concerns that are in the business [fol. 1182] preclude that possibility. In the second place, the relative ease with which new concerns may be established, or expand its present activities or capacities, and the resistance that would be met by any concern seeking to restrict competition by coercive measures from the distributive organization, as well as the consumers themselves who if an attempt were made to force them to buy any such product at prices that might seem unreasonable, would very quickly change, in my opinion, to other diets, to other foods, and adjust themselves so they would not purchase the articles that were produced or marketed by an organization attempting a restriction of competition and
2378 whatever goes with that. I do not think that it is possible for any concern or group of concerns to maintain artificial and arbitrary prices in the food industry. If an attempt were made to maintain such prices the almost immediate effect would be that sales would fall off.

Studies conducted by me in 1911 in a middle western state, and by Professor McGary of the University of Buffalo, in 1929, as to the City of Buffalo, show that the
2379 mortality rate of failures among retail grocers is about the same today as it was then. It is higher
2380-81 than other businesses: 30% or 33%, as against 22½% among shoe dealers, and 20% for drug stores.

[fol. 1183] The leading methods that have been employed in the past in forming monopolies include obtaining
2383 control of the supply, or obtaining control of distribution outlets, or setting the prices at which goods are sold, or dividing the market among individual concerns that participate in the monopoly arrangement, as by a division of the marketing territory. Although price agreements do not result in a monopoly until there is an actual combination of the concerns, it may result in the same conditions as a monopoly, namely, the absence of competition.

If one competitor should acquire the ability in some way to sell its products cheaper than is possible to its
2384 competitors, that also would be an important factor in an attempt to form a monopoly, and that ability could arise as the result of a substantial saving in any important item of cost entering into placing the final product before the public. The size of the competitor in the industry, and the portion of the industry he controls are important factors in determining his ability to form a monopoly on the basis of such a lower price, although I do not attempt to say what proportion of an industry a particular concern must control in a particular industry before it can be called a monopoly in an economic sense. Anything less than 100% is not an absolute monopoly.

2385 Theoretically, under the marginal utility theory of price, one exception would tend to set a price for the entire lot; but that does not necessarily hold. According to this theory, if the general price level of meat, for instance, were 35 cents, and one little retail butcher comes in and is able to sell meat at 30 cents, that would bring the [fol. 1184] price level down to 30 cents. But if there were only a little supply offered at 30 cents, he would soon discover that fact and raise his price, because every-
2386 body tries to sell as high as he can. If there is a great supply offered at the lower price, it will pull down the price more than if there is a small supply offered.

In economic principle, the price level depends upon the equation of available supply and effective demand at that price level; and the available supply ordinarily will be that at which those who furnish it can make some sort of
2387 profit satisfactory to themselves. As it becomes scarce, it becomes possible to get higher and higher prices for it. Yet, if the cost of production remains constant, that increases the profits to those who furnish it. With increasing prices, unit profits increase and total profits tend to increase to a certain point; but there is a point where the decreasing demand resulting from an increase in price becomes so severe that a counteraction sets in, and beyond that point the total profit will actually decrease.

In the sliding scale of supply and demand, the price at which the producer or seller can reach the greatest total profit is normally something substantially higher than the

price at which the producer can offer his product at a profit. On the other hand, the price at which the profits are highest may be the point which permits the widest sale; that
2388 is, it is lower than the price which yields the highest unit profit per sale. But, assuming that there is no competition, and I have the power to keep putting up the price on the product, I can put it up through a certain field above the price at which I could make a profit before I will reach that point at which the decrease in demand begins to [fol. 1185] cut down on my total profits. In other words, dealing merely with the price level in its relation to demand, the price can increase substantially beyond the profit level before a decrease in demand actually curtails the increase in total profits.

2389 Assuming that one concern were for some reason able to sell substantially cheaper than its competitors and control 25% of the business of its industry, it would be able to draw the public to its doors until it reached a monopolistic point more easily than another concern operating under the same conditions but controlling only 5% of the business, because the former would necessarily have a wider distribution and more points of contact with
2391 the public. However, 25% would not mean monopoly,
2389 and I do not think it would be a basis or step from which progress could be made toward a monopoly; and I cannot conceive that the 5% concern is going to remain idle and make no plans to save its business.

2391 But if there were two units in the industry, each of which controlled 25% or a total of 50% between them, it would theoretically be correspondingly easier for those two to work toward a monopoly, on the basis of a cheaper price level, than for smaller units to do so;
2392 and easier, also, than for another 50% block of the industry, operating under a similar price advantage in distribution and sale, but divided up among a great many concerns.

The number of units among which the remainder of the industry is divided is also an important factor; that is, if the remainder of the industry is divided among comparatively few units, large in size, it would theoretically be more difficult for the two 25% concerns to acquire a monopoly than if the remainder of the industry were divided up

among a great number of units correspondingly smaller in size.

[fol. 1186] I have seen statements to the effect that from 65% to 70% or 75% of an industry is the range of
2393 control recognized among economists as constituting effective monopoly for price control purposes. But much depends upon the conditions of the industry and the type of the product. If it is the type of product for which there is no easy substitute, that might be important; or if it is a type of product that has a limited number of consumers, then that might be very important. If it is a type of product in which the number of producers of similar products was great or small, all of those would tend to affect the situation as to control.

I should not like to have my testimony recorded as agreeing that 65% or 75%, or any other figure, constitutes the same thing as a monopoly. That is simply the range of economic thought.

The number of able independent competitors in the industry is another factor that would tend to raise or lower that percentage. If the remainder of the industry
2394 is divided up among a great many comparatively small competitors, the percentage necessary to monopoly control would tend to be lower than if it is divided up among a few able competitors.

There are, however, practical qualifications to these theoretical principles. The small concerns, though small, may be very effective in meeting competition when placed under pressure. For example, in the retail grocery trade—and you could scarcely find any industry in which the units were smaller and less efficient, perhaps, in the operation of their business, and less capable of cooperation in this field—with the coming of the chain stores and the fear that the chains might affect not only their success but their existence, they have come in very great numbers to form these new voluntary chains which are really cooperative groups and some of them very effective and very successful.

[fol. 1187] The Retail Research Association, with which I am employed, was such an organization in the depart-
2395 ment store field, and we developed a very considerable buying power for those stores. I do not know the extent to which voluntary grocery chains buy meats for their member stores through these concentrated sources,

but I think Mr. Pelz's documents furnish the best statement there is on the development of the grocery voluntary chains and the extent to which they do concentrated buying.

There is recognized among economists what is
2396 known as the principle of diminishing economies in large-scale business, to the effect that small producing units cannot achieve all the economies of large producing units, and there is an increasing efficiency in large-scale production until some theoretical point is reached, which again depends on many factors for varying industries which change from time to time as the knowledge of busi-
2397 ness processes changes. But after it reaches and passes that point, the business may remain in a static condition or it may show a decreasing economy per unit of product. In the chain store field it has apparently been found by the larger chains that they may be able to effect a remedy for just that situation by subdividing the chain into district operating units, territorial units, getting back to what they evidently believe to be the most efficient operating units, in other words, decentralization of control.

2398 In so far as that decentralization affects purchases of chain stores of the products handled by them, it would tend also to affect their buying power and decentralize it accordingly; and it has done so. The most outstanding example is the Great Atlantic & Pacific Tea Company, and the result is a tendency to break up this buying power [fol. 1188] which has attached to the centralized control of the chain.

2398-99 When an industrial unit has reached the stage of diminishing economies, I believe, theoretically, without any knowledge or facts upon which to base my answer, that there might be some ultimate advantage to be gained by increasing the size of the business. That is, by curing the costs of bigness by more bigness, through the opening up of new markets and increasing the number of commodities handled. That is, diversification. Combinations such as General Foods and other concerns which have taken place in the last few years are apt to occur
2401-2 at times when conditions are very favorable for the sale of securities. It is generally true that when such combinations take place, the new resulting combinations' capital is apt to be based not only on the actual investment, but very largely on the earning power. So that

the result would follow that following the combination, profits would have to be increased if the same rate of profit was to be paid on the new capitalization as on the old. In forming food integrators such as General Foods—without stating that General Foods is guilty of anything to which I might refer, if any element of guilt attaches—an endeavor is made to get a collection of companies whose earnings have been good. The stock of the new company is then offered to the public on the basis of the previous earnings of the constituent companies as pointing to probable earning power of the consolidation. But there is a qualification to that and General Foods is one illustration of it. The growth of buying power of the chains has made it more and more difficult for manufacturers whose products are sold through such channels, to maintain not only their old net profits, but any net profits at all. So that, as one of the officers of General Foods expressed to me, it has become essential in dealing with large chain stores with large buying power, to have large selling power.

[fol. 1189] General Foods represents an integration of non-competing products. Any particular distributing organization might be quite powerful in bargaining with the company producing that product, if there is but one product in question. But if there are several products, many in fact, that are well known to the public whose brand names are common knowledge to everybody, then there is strength in bargaining power that comes to that company, in spite of the fact that the percentage sold to the big chain organizations remains the same as it was before.

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I am informed that General Foods treats all re-

[fol. 1190] quests by chain organizations for concessions in prices the same as they do every other arrangement made with the trade, namely, no concessions will be made. They maintain that position, because it would be dangerous for them to change that position, to making concessions which would open them to attack for such concessions on every hand. It all depends upon keeping your largest customer at such a small proportion of your business so that you will have other channels to depend upon if you have to surrender that customer, or else having so many products that he must have even if in large proportion, that the bargaining power may be on a parity on both sides. I do not necessarily mean

a monopoly on those products, but there is I take it a bit of monopoly in the trademarked article that has a very strong good will. I have heard that Royal Baking Powder, for example, have been offered several million dollars for the name alone. There is a value there and while there are many substitutes for Royal Baking Powder, I think most chain stores would not like to go on conducting their business and
2406 have housewives come in and ask for Royal Baking Powder and have to spend time in telling them about some competing brand.

2407 The branded articles, when backed by such an organization as General Foods, have undoubtedly been a strength in selling to chain stores. It is my information that they have made no such concessions to chain stores in prices or other services that have been made by other concerns without brands or with weak brands.

2408 Several things are happening in the wholesale grocery trade. Some wholesalers are becoming manufacturers. Others are owners of plants and have goods manufactured for them. Other wholesalers are slowly but surely acquiring ownership and control of retail outlets. Others are making arrangements by contracts or otherwise for what is usually known as voluntary chains, so that they [fol. 1191] may be assured of outlets. Still other wholesalers are leaving the old-time business of supplying all kinds of groceries, or whatever their original line of products might be, and are specializing in handling a few of those products, perhaps becoming a distributor for a certain territory for certain branded goods. That has happened in many cases; or becoming a special distributor for imported goods, specialties. All sorts of variations are taking place. The old-time wholesale grocer has had a hard time of it for years. If the whosesale grocers, during the last few years, had not made progress along the lines that changed conditions require, many of them would have been forced out of business completely. Adjustability and adaptability to new conditions has been quite observable in the wholesale grocery field.

2409 Counting all concerns in the wholesale grocery business, including those that have gone into the specializing businesses, there are more wholesalers now than there were ten years ago; there are over 6,000 whole-

salers, and that is probably almost a thousand more than there were ten years ago.

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(7) HAROLD H. MAYNARD, Professor of Marketing, College of Commerce, Ohio State University, testified that he had served in this capacity for something over seven years, and, in addition, had served from time to time as consultant with business concerns in the United States, studying their business and making different types of surveys and research analyses such as rendered by a marketing consultant. I am a co-author of the text book "Principles of Marketing," which is a commonly used text book in colleges over the country, and I am also co-author of a further text book known as "An Introduction to Business."

It was stipulated by counsel that Professor Maynard's [fol. 1192] remaining testimony, if further examined, would be to the same substance and effect as that of Dr. Paul H. Nystrom, both on direct and cross examination, with respect to trends, chain stores, food mergers, competition, monopoly, etc., and that such testimony should be considered in evidence.

Professor Maynard then further testified in substance as follows:

Chain stores are scattered through small country towns and trading centers as well as in large cities. No minimum population seems to have been reached for their purposes.

The importance of brands is the control of consumer demand which follows brand acceptance or brand insistence by the public. This is what practically all manufacturers of advertised brands are trying to secure. It is based upon successful experience by the consumer with the article branded, and his confidence in his ability to get constant quality and quantity under the brand designation, and for that price. The brand is everywhere the same in all markets in all parts of the country, and its persistence depends upon maintaining its standards of quality and quantity at minimum price.

The minute it ceases to do so it lays itself subject to attack, either by other nationally advertised brands or by private brands in general.

2421 While I have no specific information, I should think the meat business end of a normally balanced
2422 combination store would run 25% or 30% of the store's total sales. Single wholesaling concerns such as Francis H. Liggett, who pack private brand merchandise, sometimes supply more than that percentage of their total volume of business to many grocery
2421-22 stores; but, of the so-called food integrator manufacturers, I think General Foods Corporation would supply the largest percentage, and I doubt if that would be 25%.

[fol. 1193] Diversification of lines would be very helpful to the meat packers for a number of reasons. It
2417 would enable them to use their present physical properties, sales organizations, delivery equipment, credit organizations, and branded names to better advantage. Diversification would be very valuable and desirable due to the fact that they have this tremendous organization setup which is not working at capacity. From the standpoint of an economist and one interested in public welfare, it would be very desirable for them to be able to use this structure which has been built up to a greater advantage and to the fullest extent.

2423-24 (78) Dr. Fred E. Clark, Professor of Marketing, Northwestern School of Commerce, Evanston and Chicago, Illinois, testified that he is also author of a book, "Principles of Marketing," and another, "Readings in Marketing," both of which have been widely adopted; also of a number of articles in technical, economic, and trade journals, and is joint author of a book on marketing farm products, now being completed.

2425 Changed conditions and trends in the food industry during the past ten years have been very marked. There is the trend toward integration on the part of all the factors in the field, manufacturers wholesaling, to some extent retailing, wholesalers doing their own manufacturing, controlling their own brands, operating retail stores or having connections with retail stores, retail store organiza-

tions combining together and doing their own wholesaling, and in some cases a part at least of their own manufacturing; and the tendency also of the producers of the raw materials to combine and do all of their own wholesaling in selling to the manufacturers, retailers and others who use or handle their products. Then another very important tendency in recent years, is the emphasis being placed upon [fol. 1194] the development of brand consciousness on the part of the public. There is a tendency toward bringing together a number of related products on the part of manufacturers, and in the retail field a very important tendency —I am of course thinking now primarily of food, although we have had the same tendency in many other fields—for stores to branch out into related lines. We have it in the drug field, but more particularly in the combination store in the food field.

It was then stipulated by counsel that Doctor Clerk's remaining testimony, if examined, would be to the same substance and effect as that of Dr. Paul H. Nystrom, both on direct and cross examination, with respect to trends, chains stores, food mergers, competition, monopoly, etc.

[fol. 1195] (79) CHARLES E. BALDWIN, Assistant Commissioner of the Bureau of Labor Statistics, United States Department of Labor, Washington, D. C., testified in substance as follows:

2432 This Bureau collects and issues data regarding wholesale and retail prices, cost of living, and increases or decreases in the wage scale.

Petitioner's Exhibit 160 is the June, 1930, issue of the Bureau's publication: "Prices, Wholesale and Re-
2433 tail, and Cost of Living." Page 6 gives index numbers showing percentage changes in the prices of various commodities since 1913, based on prices for that year. Pages 27 to 29 shows relative wholesale prices on food products for June, 1929, and May and June, 1930, as compared with 1926 prices as a basis.

Since the base used is different, these prices cannot be compared with figures representing retail prices on
2438 page 6 until they are converted to the same base, which is not done here.

The table on page 33, however, uses the same base year (1913) as page 6, and the two together show that while retail prices have increased from 13% (on butter) to 100% (on ham), living costs show increases ranging from 47.9% (on food) to 108% (on miscellaneous items). That
2439 is, the increase in food costs since 1913 has been the least of any of the items of living cost, listed on page 33.

Page 33 shows by index numbers, changes in the
2434 cost of living with respect to certain items, as compared with 1913. Pages 5 and 28 contain graphs visualizing changes in retail and wholsale prices.

[fol. 1196] Petitioner's Exhibit 161 is the Bureau pamphlet "Union Scale of Wages and Hours of Labor, 1913
2435 to 1919, Preliminary Report," and page 28 shows by index numbers, changes in wage rates, 1907 to 1929, with those for 1913 as a basis. The corresponding figures for 1930 have been added in pencil on the basis of compilations just completed. These tables use the same year base as the table of retail prices on page 6 of Exhibit 160; and the two show that while union wages have increased 172%, the average retail prices for all food
2640 commodities have increased only 47.9% since 1913.

2442 (80) Robert V. Fleming, President, Riggs National Bank, Washington, D. C., testified in substance as follows:

2443 My business requires us to keep in close touch with information relating to the fair rate of return on investments throughout the country, as we have a lot of customers from out of town that demand the national money market rate, and changes in those rates may affect the price of investments we hold, and others that we
2444 control through our Trust Department.

In order to place securities of a given corporation on a parity with others in the same general lines, its earnings must be sufficient to allow them to pay a fair return to stockholders on their investment, and have sufficient earnings above that to build up reserves for loss, betterments, etc. Bank stock sells on a lower return basis
2445 than industrial stocks.

The percentage of gross earnings to net profits,

capital, surplus, and undivided profits, of all member banks of the Federal Reserve System averaged 8.66% for 1927; 8.96% for 1928; 8.75% for 1929.

Railroad and public utility stocks normally rank higher [fol. 1197] as sound investments than manufacturing concerns, such as the food or meat packing industries, because they were subject to certain protections that an industrial corporation does not have.

2447 In arriving at the earning power of money in different investments for purposes of the capital stock tax a few years ago, the United States Treasury allowed for an earning power of 10% on certain classes of industrials, such as foods, and 8% on banks. The food manufacturing industry should have over 10% return, allowing for depreciation, depletion, and items of that sort, to constitute a minimum fair return on capital invested. That is, a 10% return on the capital that their stockholders had invested in the business originally.

The return must be sufficient to pay stockholders a fair return on their investment, equal to what would be paid in a competing industry, and to allow it to build up reserves for contingent losses, betterment, research,

2448 and items of that sort. If an industry fails to earn a fair return on its capital invested, its securities depreciate greatly in value. They have difficulty in obtaining bank credit at times when they need it, and if they are not getting a fair return ultimately enough to build up reserves for all unforeseen contingencies, they are going to be in difficulty. If the earnings of the corpora-

2449 tion are not sufficient to justify the proper return on the investment to the stockholder, when they apply for bank credit, the banker of course is looking to see whether the corporation that borrows from his bank can repay out of current earnings, and if their earnings are low the chances are they are not going to get very much bank credit. Then again, they may need additional capital for expansion and they are not in a position to get that capital on favorable terms. All bankers now require in connection with large loans, in addition to statements of [fol. 1198] assets and liabilities, profit and loss statements to see what is happening to earnings. If earnings are dropping off, the banker is going to look with fear on the

prospect of getting that loan paid. The stocks of
2450 large industries are traded in freely on the stock exchanges of the country. The stocks of Swift and Armour are not traded in as freely as the securities that have better earning returns. The public is not likely to invest in securities when the curve of earnings is down. When that occurs the market price of the securities is discounted. The drop in earnings is usually reflected in the price of the stock even before a dividend cut.

2459 Deterioration of machinery and equipment would not enter into it, because if it were properly depreciated and if the corporation was in a healthy condition, it would be replaced by new equipment that would replace the capital structure. The capital invested at all
2460 times should be able to have that return, including any surplus in the capital account, because that belongs to the stockholders, too. If there were no surplus, and depreciation required an impairment of the original capital, then the return would have to be on the capital, as of the time we are speaking.

This 10% return should be what is left after all
2462 expenses are paid, taxes are paid, and depreciation
2463 and all losses are written off. And also after reserves are written off to meet unforeseen losses.

2461 Returns that farmers are getting on their investment are very low.

[fol. 1199] (81) F. A. Pearson, Professor of Prices and Statistics, New York State College of Agriculture, Cornell University, Ithaca, New York, testified in substance as follows:

I have served in this capacity since 1920, spent a year at Harvard prior to that, and was, from 1912 to 1920, with the College of Agriculture, University of Illinois, Urbana, Illinois. I am co-author of "The Agricultural Situation," published August, 1924, dealing with prices of farm products, primarily, and of several other studies, one concerning the relation of supply of commodities to their
2466 prices; another, of the cost of distribution, including
2467 the cost of distributing beef, published in "Farm Economics" for January, 1928, by the Department of Agriculture, Cornell University.

These are based on farm prices of live stock furnished by the Department of Agriculture, and retail prices furnished by the Bureau of Labor Statistics of the Department of Labor. The former represents prices received by the farmer, and the latter, prices paid by consumer at
2467 retail. The retail prices are weighted in proportion to the cuts that could be obtained from the animal, to obtain the retail price of the steer. The difference between this result, and what the farmer obtained for the steer, represents the cost of distribution.

The results of this study are summarized in Peti-
2470 tioner's Exhibit 162, which is a chart reproduced from page 832 of "Farm Economics," for January, 1930, with figures added to bring it down to August, 1930.

Petitioner's Exhibit 163 is a chart reproduced from page 833 of "Farm Economics" for January, 1928, show-
2471 ing graphically the relation between retail value of the steer, the farm price, and the cost of distribution.

[fol. 1200] These exhibits include the adjustment for the fact that there are some inedible parts of these animals. According to a study made by Mr. Clemen, the edible portion reporesents 87.3% of the animal, by value, as
2475 against 54%, by weight.

2474 The average retail value of products shown in the fourth column of Petitioners' Exhibit 162 includes the cost of distributing meat products and by-products.

2477 The primary cause of fluctuation in retail prices is not a change in the farm price. The primary cause is the change in retail prices which are reflected in farm prices. In other words, the ultimate consumer finally determines the price. From this final retail value the cost of distribution is taken out and the residual is the farm price. The actual price at which meat goes to the consumer is dependent upon consumer demand and the amount available at the retail markets. That is the primary determination of price and that is reflected back gradually through the wholesale lines into the raw material.

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(82) R. F. Eagle, Assistant to the President, Wilson & Company, Chicago, Illinois, testified in substance as follows:

2479 This concern has been in existence since 1916, and I have been with it and its predecessors, Sulzberger
2480 & Sons Company, for 17 years. It is in the meat packing and provision business with headquarters in Chicago, and together with its subsidiaries, operates meat packing plants in Chicago; New York; Albert Lea, Minnesota; Nebraska City, Nebraska; Cedar Rapids, Iowa; Kansas City, Kansas; Oklahoma City, Oklahoma; and Los Angeles, California.

It sells throughout the United States and in the
2481 principal market outlets of the world, and has 97 branch houses today as against 117 ten years ago, having closed 35 and opened 14 in the meantime. It has no stock or other ownership interest in Swift & Company, Armour & Company, or Cudahy Packing Company, and none of them has any in it. Nor do any of these have any agreement between them with respect to prices paid for livestock in any of the markets, nor those asked for finished [fol. 1201] products in any territories in which they are sold.

We have 1,450 refrigerator cars, which is some
2482-84 less than in 1920, and operate 410 car routes, running from 80 to 250 miles in length. The latter represents some increase in the past ten years, partly from closing branch houses and partly from expansion in some territories which seemed to be better adapted to car routes.

The largest portion of our packing business is in
2483 fresh meat products as against branded products. We buy livestock both through our employed buyers, on public markets, and buy direct shipments at our country plants, and through order buyers to some extent. On public markets, we get the competition of the larger packers, and also the smaller packers as far as the western and eastern seaboards.

We are agreeable to any modification of the Consent Decree, provided it is made equally applicable to all defendants.

Our total sales in 1929 were $310,000,000, of which
2492 a very small part was in the so-called unrelated lines.

Petitioners' Exhibit 164 is a retail price list which we furnish to our customers, showing retail prices which we suggest they should charge to their trade. The last page

contains items such as preserves and condiments,
2492-93 which belong to the so-called unrelated lines.

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(83) JOSEPH CONRON, President of the Conron Brothers Company, 40 Tenth Avenue, New York City, testified in substance as follows:

2493 We deal in wholesale meats, poultry, butter, eggs, and some cheese. We do no slaughtering, but buy our dressed meats in New York and different western points, and some live hogs, which we have custom
2494 slaughtered by an abattoir company in Jersey City. We have one meat processing plant in New York handling pork products; also produce plants where we buy, feed, and slaughter live poultry for the New York market, at Fairmont, Minnesota; Atlantic, Iowa, and Bushnell, Illinois. At these plants, we also handle cream and eggs; and manufacture creamery butter and ice cream. We have another such plant in Virginia, now temporarily closed down, and rented to a party using it for the milk [fol. 1202] business. We have four selling branches in greater New York, and an office in Chicago. We also own the Riverside Cold Storage Company, which oper-
2496 ates cold storage plants in New York and Brooklyn. We also act as consignee for the products of the Indianapolis Abattoir Company, and in that capacity, sell them in competition with our own in New York.

We buy hogs wherever we can buy them the lowest in competition with other packers, and do business with Armour and Swift if we can get low enough prices
2497 from them. We have never come in contact with any unfair methods at their hands. Conditions are very competitive in the wholesaling of meats with from 200 to 500 wholesalers in greater New York. Our business has grown from $10,000,000 to $15,000,000 in the past ten years.

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(84) GEORGE N. PFARR, President of the California Co-operatives Canneries, Modesto, California, testified in substance as follows:

2499 I have had a fruit farm near Modesto since 1912, growing cling peaches and raisin grapes; have been a member of the California Co-operative Canneries since

the winter of 1919; a director since 1923; vice-president, 1925 to 1927, and President since 1928. It is a co-operative organization of fruit growers for the purpose of processing and selling their cannable products, with around 300 grower members, who grow peaches, pears, apricots, asparagus, peas, spinach and sometimes tomatoes. Our concern cans these various lines and has plants at Modesto, San Jose, Visalia, Ontario, Hemet, and Isleton,
2501 California.

We handle about 5% of the canned peaches, pears, apricots, asparagus and spinach, and 90% to 95% of the peas in California. The latter is not an important crop. Our peach pack the past season was nearly 15,000 tons. Our present distribution method is a wholesaler-retailer brokerage proposition.

[fol. 1203] We sell to chain stores sometimes directly, sometimes through brokers, and frequently to other
2502 canners. In 1920, we had a contract with Armour & Company for them to take all of our supplies that they needed in their business, and they were taking from 60% to 80% of our sales. This fell to nothing during the period from 1921 to 1925; came back to 50% from 1926 to 1928 and fell again considerably in 1929 because of the Supreme Court's decision upholding the Consent Decree, and they did not take any of our products.

In 1930, we arranged for them to handle our products on a consignment basis, which included quite a hold-
2503 over from the previous year. There has been a lot of opposition to us in the brokerage wholesale and retail trade in the past ten years.

Our situation was different than the ordinary canner in the state because we did not have finances to properly develop a sales organization and primarily a cooperative institution never does have that financing to develop a sales organization which can take care of its product.
2519 Our concern was organized in reliance upon the contract made in 1919 between Armour & Company and the Producers Warehouse Co., which was the name of our concern before it was changed to California
2503 Cooperative Canneries. If it had not been for the assurance of that outlet, the California Cooperative Canneries never would have sprung into existence. Had we not had at that time an outlet which would

2504 take the greater portion of our supply, we never would have entered into the game and try to sell through the brokerage wholesale trade.

2519 It was stipulated that the Government's Exhibit 6 is a copy of the contract here referred to by the witness, made May 9th, 1919, between Producers Warehouse Company, James Madison, President, and Armour & Company, Arthur Meeker, Vice-President.

The canning business is too risky and expensive for growers to go into unless their market is practically secured. We have no distributive system of our own, except a sales manager, who makes contracts with

2504 brokers and wholesalers. This we find unsatis-

[fol. 1204] factory, because the wholesaler tries to buy at the very lowest price, and a complete distributive system with warehouses, salesmen, etc., scattered over the country requires too much financing for a grower

2504-05 organization, whose members' money is invested in growing.

We are at a disadvantage in competing with large canners like Libby, and the California Packing Corporation, which handles the Del Monte brand, in being unable

2506 to furnish less than carload lots on favorable terms. We have supplies of canned goods stored with brokers in New York City, Norfolk, Los Angeles, Dallas, Fort Worth, and Tampa, Florida, but that is about all. We have to keep these brokers and wholesalers stirred up with calls from specialty men, and pay the broker

2507 his commission, which we find very expensive.

We are also at a disadvantage unless we can put out our products under nationally advertised brands, and to do this, we have to sell it to the Del Monte people or other national advertising people, or quit business. Armour sold our products under Armour or Morris brands.

2508 We have a tremendous crop of peaches in California, the potential production being 400,000 tons of Cling peaches and deducting the cull peaches, there are 350,000 tons of Cling peaches to be processed in cans amounting to about eighteen or nineteen million cases. We had never ben able to sell more than fifteen or sixteen million cases, and in 1930 with this excess crop, the peach growers of California found themselves in a position where

they would not get enough to pick the peaches from the trees and deliver same to the cannery doors unless something in the nature of control was put into effect.

2509 We entered into a control plan, and under that plan
2510 the canning industry of California picked close to 150,000 tons of No. 1 peaches and let them drop on the ground and rot. It cost us around $2,000,000. It cost each canner who put up a ton of peaches $7.80. Under the control plan he paid $20 to the grower for every ton of peaches and he put $7.80 into a reserve fund to buy the peaches.

[fol. 1205] They were permitted to rot in order to save the industry.

In 1930 there were more grapes in California
2510-11 than anybody could ever use. I sold my grapes to the Grape Control Board, which is a cooperative that was set up to do for the grape industry the very same thing that the canners themselves did for the canning industry. The Grape Control Board was set up and financed by the Federal Farm Board. Mr. Teague, who is a member of the Farm Board, spent, I dare say, the hardest two months to ten weeks of his life in California trying to get the thousands of grape growers to go into one big cooperative in order that they could loan a part of this $500,000,000 which Congress voted them for farm relief.

2512 The peach grower realizes that 1931 and possibly 1932 will find him in a position where he cannot claim a seller's market, that is, he cannot demand anything for his product. He has got more product than the canner or consuming public would probably want. I just received a telegram from the University of California, which has called a meeting for tomorrow of those interested in the canning and growing of peaches, for the purpose of seeing what should be done with this apparent surplus at this time. If there were more dependable
2513 outlets and a greater range of advertised brands, it would aid in providing a remedy for this problem. If the distributive system of the country was more efficiently organized, so that they could get this fruit to the consuming public, California could not begin to raise enough fruit for the United States and the world, because

we are practically the only fruit-growing country of that kind in the world.

If Armour & Company cannot handle our product, we would have to fall back on the brokerage, wholesale system, and unless they also change their methods of operation, instead of trying to sell 100 or 1,000 different brands, and concentrate on two or three brands of their own, such concerns as ours and a number of other canneries, will be out of existence, because the business is being taken by those concerns who do have nationally advertised brands.

[fol. 1206] Armour and Company holds a mortgage of $500,000 on three of our plants, of which $200,000 is a first mortgage on one plant, and the balance a second
2515 mortgage on the other two. Beside- this, we owe Armour & Company between $900,000 and $1,000,000, to offset which they have warehouse receipts on $200,000, and actual possession on consignment of $600,000,
2516 or a total of $800,000 of our products. We had to borrow this to supply ourselves with working capital.

Also, Armour & Company guarantees our account for the purchase of cans, on which we owe at present $350,000.

By stipulation of counsel, the following described Petitioners' Exhibits were admitted and received in evidence:

Petitioners' Exhibit 165, being a copy of certain
2528 excerpts from brief on behalf of Armour & Company et al., filed September 12, 1920, in Docket 10745, before the Interstate Commerce Commission.

Petitioners' Exhibit 166, being a copy of certain excerpts from briefs of the National Wholesale Grocers' Association in Docket 10745, before the Interstate Commerce Commission.

Petitioners' Exhibit 167, being copies of the complaints in I. C. C. Dockets Nos. 10745 and 10745-sub 1.

2529 With the above evidence, petitioning defendants rested.

The following evidence was then received on behalf of the United States:

By stipulation of counsel, statements under oath prepared and furnished by JOHN M. CHAPLIN, Comptroller of

Swift & Company, Chicago, were received in evidence, showing in substance:

1. That annual purchases of vegetable oil by Swift & Company, including cottonseed, peanut, corn, and other [fol. 1207] vegetable oils, refined and unrefined, but here computed on a refined weight basis, increased from a total of 86,000,000 pounds in 1921, to a total of 161,000,000 pounds in 1930, figures for 1920 not being available.

2. That the annual production of cottonseed oil by Swift & Company increased from 47,000,000 pounds in 1920 to 68,000,000 pounds in 1930; that the number of mills at which said cottonseed oil was produced decreased from 18 in 1920 to 16 in 1930; and that such mills are located at as many different cities in the States of Georgia, South Carolina, Tennessee, Arkansas, Alabama, and Texas.

3. That the total annual output of cottonseed oil by refineries owned or controlled by Swift & Company increased from 160,000,000 pounds in 1920 (produced by ten refineries), to 237,000,000 pounds in 1930 (produced by 13 refineries).

4. That the total annual purchases of cottonseed by Swift & Company increased from 154,800 tons in 1920 to 227,573 tons in 1930.

[fol. 1208] The following is a statement under oath, prepared by WILLIAM S. CLITHERO, Assistant Comptroller, Armour & Company, Chicago, Illinois, and received in evidence, showing total production by Armour & Company and Morris & Company combined in crude cottonseed oil, refined cottonseed oil, and lard compounds and substitutes, and a comparison of such production with the corresponding total production for the United States, for the years therein indicated from 1920 to 1929:

STATEMENT AS TO PRODUCTION

Crude Cotton Seed Oil Production

	Total U. S. Production, Thousands of Pounds		Armour & Morris Combined Yearly Production	% Armour & Morris Production of Total U. S. Production
	Monthly Production	Yearly Production		
Year 1920	95,223	1,142,676	23,847	2.08
" 1929	131,801	1,581,612	19,673	1.24
% Increase 1929 over 1920		38.4		
% Decrease 1929 under 1920			17.5	

*Refined Cotton Seed Oil Production

	Total U. S. Production, Thousands of Pounds		Armour & Morris Combined Yearly Production	% Armour & Morris Production of Total U. S. Production
	Monthly Production	Yearly Production		
Year 1920	81,645	979,740	Not Known	
" 1929	120,842	1,450,104	85,760	6.

**Lard Compounds and Substitutes Production

	Total U. S. Production, Thousands of Pounds		Total Armour & Morris Yearly Sales	% Armour & Morris Total Sales is of U. S. Production
	Quarterly Production	Yearly Production		
Year 1920	.....	.....	113,346	....
" 1921	156,770	627,080	122,958	19.6
" 1922	196,045	784,180	102,562	13.
" 1923	187,631	750,524	96,915	12.9
" 1924	207,609	830,436	121,887	14.7
" 1925	288,155	1,152,620	166,540	14.4
" 1926	285,177	1,140,708	164,709	14.4
" 1927	294,749	1,178,996	190,111	16.1
" 1928	285,737	1,142,948	163,542	14.3
" 1929	305,025	1,220,100	164,936	13.5
Total	2,206,898	8,827,592		

*See page 83, Survey of Current Business, August 1930, No. 108.
** " " 86, Ditto. (Semi-annual Number.)

[fol. 1209] The following stipulations by counsel for the parties and interveners were received in evidence:

FIRST STIPULATION

2531-36 In the matter of petitions by the Armour and Swift groups of defendants for modification of the consent decree herein made and entered February 27, 1920, it is hereby stipulated by and between said petitioning defendants, United States, and the interveners, National

Wholesale Grocers' Association, and American Wholesale Grocers' Association, by their respective counsel of record:

1. That the corporations named below are engaged in the manufacture and/or purchase, distribution, and sale of food and other products throughout the United States as in each case respectively indicated, with principal offices at the addresses stated; that the total sales of such concerns are in every case under $350,000,000 per year; that the total sales of four of said concerns are between $100,000,000 and $350,000,000 each per year; that the total sales of the remaining said concerns are under $100,000,000 per year.

2. That the proportion of the total sales of each said concern which is sold to its largest single customer is in each case at least the percentage respectively stated.

[fol. 1210] 3. That in the case of five of said concerns the volume of sales by each to its largest single customer respectively is in excess of $10,000,000 per year.

4. That none of said concerns sell at retail the products manufactured or distributed by them in any substantial quantities, with the exception of:

(1) National Dairy Products, Inc., as to the fresh milk, cream, and buttermilk sold by certain of its subsidiaries;

(2) Adolf Gobel, Inc., as to retail meat sales through the Merkel chain in Brooklyn, New York, and sales of refreshments through its refreshment concessions.

5. That none of said concerns are engaged in the meat packing business as slaughterers, with the exception of Adolf Gobel, Inc., through its subsidiary, Jacob E. Decker & Sons, Inc.; that said Adolf Gobel, Inc., makes no sales to chain stores in any substantial quantities.

6. That said concerns are all owned and controlled independently of each other, with the exception of Kraft-Phenix Cheese Corporation, which has, within the past few months, been acquired by National Dairy Products Corporation as a subsidiary. The two are listed separately for the reason that a full year has not been available for comparison of their combined sales.

7. That the concerns and facts regarding them referred to in Paragraphs 1 to 6 above, inclusive, are as follows:

Name and address	Lines handled	Percent of total sales to largest customer
Standard Brands, Inc., 559 Madison Avenue, New York, New York.	Yeast, malt, malt extract, baking powder, gelatine, etc.	4.
Beech-Nut Packing Co., Canajoharie, New York.	Conserves, fruit drops, mints, chewing gum, sliced bacon, etc.	2.6
[fol. 1211] General Foods Corporation, 250 Park Avenue, New York, New York.	Breakfast cereals and cereal drinks, jello, ice cream powders, sea food, coffee, syrup, cake flour, tapioca, gelatine, salt, meat products, baking powder, cocoanut, chocolate, cocoa, mayonnaise products, etc.	9.7
Adolf Gobel, Inc., 40th St. and 11th Ave., New York, New York.	Meat products and refreshments, etc.	....
Kraft-Phenix Cheese Corp., 400 Rush Street, Chicago, Illinois.	Butter, cheese, mayonnaise, and salad dressing, condensed and powdered milk products, malted milk candy, etc.	6.
National Dairy Products Corp., 120 Broadway, New York, New York.	Fresh milk and cream buttermilk, butter, cheese, eggs, ice cream, and beverages, etc.	.7
Campbell Soup Company, Camden, New Jersey.	Canned soup, etc.	17.
National Biscuit Company, 85 Ninth Avenue, New York, New York.	Crackers, biscuits, wafers, etc.	17.
Procter & Gamble Co., Cincinnati, Ohio.	Soap, candles, vegetable oils, glycerine, etc.	5.4
California Packing Corp., 101 California Street, San Francisco, Calif.	Canned fish, fruit, and vegetables, and dried fruits, etc.	18.2
Pillsbury Flour Mills, 301 Metropolitan Life Bldg., Minneapolis, Minnesota.	Flour, etc.	7.

8. That the total sales (domestic and export) for the year 1929 of the defendants Wilson and Company and subsidiaries were approximately $279,000,000, of which volume not more than 2% was sold to their largest single customer.

[fol. 1212] 9. That the total sales (domestic and export) for the year 1929 of the defendants Cudahy and Company and subsidiaries were approximately $268,000,000, of which volume not more than 1.9% was sold to their largest single customer.

10. That the total sales (domestic and export) for the year 1929 of all other meat packing concerns, except Swift and Armour, both slaughtering and non-slaughtering, reporting to the Department of Agriculture, under the Packers and Stock Yards Act, 1921, aggregated approximately $1,898,000,000, of which volume at least 3% was purchased by their respective largest single customers.

11. That in each case the figures representing the sales to largest single customers, on which the percentages hereinabove stated were based, represent purchases by such customers through centrally directed buying, as distinguished from purchases at option and discretion of local store managers.

12. It is expressly stipulated that the facts hereinabove set forth shall be received as evidence with the same force and effect as if put in evidence in this hearing by witnesses and documents as indicated herein, provided that the petitioning defendants do not hereby admit the materiality of said facts.

13. It is believed that the statements of facts herein are correct, but if error be found herein the parties hereto reserve the right to present evidence in correction thereof.

14. That the annual year books of Swift and Company, and the annual reports of Armour and Company, for the years 1920 to 1929, inclusive, may be offered by either party and received in evidence for the material therein contained as to the business and financial condition and policies of said companies.

[fol. 1213] SECOND STIPULATION

2536-42 In the matter of the amended petitions of the petitioning defendants herein for modification of the Consent Decree made and entered herein February 27, 1920, it is hereby stipulated and agreed by and between the United States, the interveners and the said petitioning defendants, by their respective counsel of record as follows:

(1) That the following named persons residing at the cities or places indicated and connected with the companies,

organizations and/or associations named in the capacity respectively indicated, are producers of food products as indicated by the names of the said organizations; that the said persons are available by subpœna to testify herein and that they would, if called to the witness stand and sworn, testify in substance; that as producers each of said witnesses is of the opinion that there is danger of a monopoly in the food industry if the Decree of February 27, 1920, in this case is modified as now prayed in this proceeding by the petitioning defendants Swift and Armour; that based upon their experience in their respective industries each of them is of the opinion that should said Decree be modified as prayed there is danger of such monopoly or domination on the part of said petitioners as would be injurious to all of the producers of food, to the distributors thereof and to the public; and based upon the same experience each of said persons is of the opinion that his industry would be injured and damaged if the pe- [fol. 1214] titioning defendants were permitted to manufacture, or pack or sell or in any way handle the commodities they are now prohibited from handling under the provisions of said Decree; the names of said witnesses being:

A. W. B. Kyosness, General Manager, Mountain States Honey Producers Association, Boise, Idaho.

W. Silver, President, Dundee Fruit Growers & Packers, Dundee, Oregon.

Frank Rauchfuss, Manager, Colorado Honey Producers Association, Denver, Colorado.

Julius Schuermann, Manager, Producers Grain Commission Co., St. Louis, Missouri.

Sam H. Green, Secretary, California Dairy Council, 216 Pine Street, San Francisco, California.

Carl Haberlact, Secretary, Tillamook Co. Creamery Association, Tillamook, Oregon.

William Garfitt, Secretary, Western Fruit Jobbers Association, Chicago, Illinois.

Harry Hartke, President, National Cooperative Milk Producers Association, Cincinnati, Ohio.

S. J. Cottington, Nat'l Association of Cooperative Grain Sales Agencies, Stanhope, Iowa.

Morton Tompkins, President, Grand Island Cooperative Canning Co., Dayton, Oregon.

(2) That the following named persons residing in the cities indicated and being connected with the companies or organizations respectively named are merchants, actually [fol. 1215] engaged in the wholesale grocery business in the states and regions contiguous to the cities of their respective residences; that the said persons are available by subpœna to testify herein and that they would, if called to the witness stand and sworn, testify, in substance, that in their opinion their business and their industry and that of their retail customers would be seriously endangered and injured if the petitioning defendants, Swift and Armour, were permitted to reenter and to engage in the manufacture or packing of or were permitted to sell or handle or use their distributive facilities in the handling of the grocery commodities now prohibited to them by the terms of the said Decree of February 27, 1920:

W. G. McConaughey, The Star Grocery Company, Parkersburg, W. Va.

Roy L. Davidson, M. O'Connor & Company, Indianapolis, Indiana.

Marco R. Newmark, M. A. Newmark & Company, Los Angeles, California.

George W. Fowler, Pacific Grocery Company, Everett, Washington.

C. P. Meredith, The Steele & Meredith Company, Springfield, Ohio.

J. T. Griffin, Griffin Grocery Company, Muskogee, Oklahoma.

H. C. Jewett, Jewett Brothers, Aberdeen, S. D.

George F. Ferguson, Downing-Taylor Company, Springfield, Mass.

George E. Lichty, Smith, Lichty & Hellman Company, Waterville, Iowa.

J. M. Radford, J. M. Radford Grocery Company, Abilene, Texas.

[fol. 1216] R. S. Hazen, Hazen, Trent & Harrell, Knoxville, Tenn.

T. Weir Labatt, The Collins Company, San Antonio, Texas.

J. H. Brown, The Hicks Company, Shreveport, La.

J. P. Cunningham, The Herrman Company, Paterson, N. J.

Allan J. Wash, Lange Grocery Company, Sparta, Wis.

C. L. Keaton, McKnight-Keaton Grocery Co., Cairo, Illinois.

(3) That the following named persons residing at the cities indicated and connected with the organizations shown being producers of livestock, including cattle, hogs, sheep and lambs, in the cities indicated by their residences and organizations are available by subpœna to testify herein and that they, if called to the witness stand and sworn, would testify in substance that based upon their experience in the livestock industry each of said witnesses is of the opinion that there is danger of monopoly and domination of said industry should the Consent Decree here involved be modified so as to permit the defendant packers to own or operate stockyards; that based upon the same experience each of said persons is of the opinion that his industry would be benefited if the large meat packing companies are continued to be restrained in their ownership and relation to stockyards and terminal railroads as they are now restrained under said Consent Decree. Said witnesses are:

S. H. Thompson, President, American Farm Bureau Federation, Chicago, Illinois.

[fol. 1217] W. I. Drummond, Chairman of the Board of Directors, American Farm Congress, Kansas City, Missouri.

Milo Reno, President, The Farmers Educational and Cooperative Union of America, Des Moines, Iowa;

and further that Mr. Reno, the witness above named, would, if called, also testify that in his opinion, if petitioning defendants were permitted to engage in the handling of grocery commodities, or in the retailing of meats or groceries, that would tend to monopoly and restraint of trade.

It is expressly stipulated that the matters hereinabove set forth shall be received as evidence adduced by the United States and said Interveners with the same force and effect as if put in evidence in this hearing by witnesses as indicated herein.

Provided that the concurrence of the United States and the interveners in this stipulation does not constitute and shall not be construed as an admission by any of them of the materiality of the kind of opinion testimony herein set out, or of other testimony amounting in substance thereto,

whether by stipulation or otherwise; but this stipulation is made for the Court's assistance in case it should consider such testimony material.

Provided, further, that nothing herein shall preclude the parties or any of them from calling any of the persons named herein as witnesses to testify to matters other than those herein stipulated.

Provided, further, that the right is hereby expressly reserved to the petitioning defendants, or any one of them, to produce testimony on the subject of this stipulation in explanation of, supplementary to, or controverting, any of the facts stated herein.

[fol. 1218] THIRD STIPULATION

In the matter of the amended petition for modification of the Consent Decree made and entered herein February 27, 1920, it is hereby stipulated and agreed by and between the United States, the Interveners, and the Petitioning Defendants, by their respective counsel of record, that in the trial of said cause it may be taken as proved that the table set forth below shows, as in the appropriate columns and for the respective years indicated:

1. Total sales of meat and meat products by the Kroger Grocery & Baking Company through its retail outlets for each of the years 1920 to 1929, both inclusive.

2. Cost of said meats and meat products so sold for each of said years 1920 to 1929.

3. The total sales value, at wholesale, of all meats and meat products manufactured by said Kroger Grocery & Baking Company, in slaughtering and meat packing establishments operated by it, for each of the years 1925 to 1929, both inclusive.

Year	Total Meat Sales	Cost of Meat Sold	Total Sales of Products of Meat Packing Establishments Operated
1920.....	$7,313,140	$6,065,968	.....
1921.....	8,434,707	6,735,616	.....
1922.....	10,483,146	8,256,710	.....
1923.....	14,280,605	11,299,985	.....
1924.....	17,269,543	13,377,012	.....
1925.....	21,206,192	16,631,447	$5,322,290
1926.....	25,150,859	19,853,580	6,332,617
1927.....	26,233,667	20,296,144	6,151,101
1928.....	36,086,631	28,194,630	9,955,291
1929.....	51,984,005	40,525,040	10,464,362

[fol. 1219] FOURTH STIPULATION

In the matter of the amended petitions for modification of the Consent Decree made and entered herein February 27, 1920, it is hereby stipulated and agreed by and between the United States, the Interveners, and the Petitioning Defendants, by their respective counsel of record,

1. That the production of lard compounds and substitutes by Swift and Company, Armour and Company, and Morris and Company, and their respective subsidiaries, the total production of said products for the United States, and the percentages of said Swift, Armour, and Morris production to said total production, for the years 1916 and 1927, are as shown in the following table:

	1916 (lbs.)	% of Total	1927 (lbs.)	% of Total
Swift & Co., et al.....	143,773,024	17%	249,924,700	20%
Armour & Co., et al.....	99,736,105	12%	*190,110,502	15%
Morris & Co., et al.....	44,164,386	5%	.....	.....
Total U. S.....	839,399,031	100%	1,239,087,169	100%

*Includes Morris & Co.

[fol. 1220] 2. That the production of oleomargarine by Swift and Company, Armour and Company, and Morris and Company, and their respective subsidiaries, and the total production of said product for the United States, together with the percentages of said Swift, Armour, and Morris production to said total production, for the years 1916 and 1927, are as shown in the following table:

	1916 (lbs.)	% of Total	1927 (lbs.)	% of Total
Swift & Co., et al.....	25,868,574	17%	47,458,200	16%
Armour & Co., et al.....	21,061,290	14%	*42,099,485	14%
Morris & Co., et al.....	11,846,959	7.7%	.....	.....
Total U. S.....	152,509,913	100%	294,066,722	100%

*Includes Morris & Co.

[fol. 1221] (85) Dr. FRANK W. MILLER, Assistant Chief, Packers & Stockyards Division, Bureau of Animal
2543 Industry, United States Department of Agriculture, Washington, D. C., testified in substance as follows:

2544 I have had prepared by the accounting section of our division, under my general supervision, certain statements with reference to the meatpacking business of the United States. These statements were compiled from the annual reports received from the various meatpacking

concerns included therein, and furnished to the government in accordance with the law, in the way I described when I previously testified in this case.* Government Exhibit 7 is such a statement, showing "Condensed statement of operations" for the meatpacking concerns reporting
2553 to us for the year 1929. In this statement the first column, headed "Big Four Federally Inspected", includes the business done by Swift, Armour, Wilson, and Cudahy and their respective subsidiaries; also the Morris business conducted by Armour.

The second column, headed "Other Federally Inspected Slaughterers", covers the business of all other establishments that operate under federal meat inspection and ship meat or meat food products in interstate commerce.

The third column, headed "Total Federally Inspected Slaughterers", represents a summation of the preceding two.

2554 The fourth column, headed "Non-federally Inspected Slaughterers", covers slaughtering establishments which purchase livestock on a public stockyard, as designated by the Secretary of Agriculture (which is [fol. 1222] sufficient to qualify them as packers within the Packers & Stockyards Act), but do not ship meat or meat food products in interstate commerce, and therefore, do not have Federal inspection.

The fifth column, headed "Miscellaneous, Including Non-slaughterers", comprises establishments engaged in the manufacture or processing of meat or meat food products, but who do not slaughter livestock—such as concerns manufacturing sausage, oleomargarine, cured and smoked meat products. It includes any concern defined as a packer in the Packers & Stockyards Act that does not slaughter, and comprises mostly concerns that ship products interstate under federal inspection, and a few concerns that buy livestock on public stockyards and have it slaughtered at a custom abattoir, instead of slaughtering it themselves. If they slaughter it themselves, they are not in this column; they are in one of the preceding columns of slaughterers, accordingly as they are federally or non-federally inspected.

2556 The last column contains the totals for all business represented in the preceding columns.

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* See pages —, supra.

This statement represents 832 distinct reporting concerns, and no concern is represented in more than one column except as it is included in the total column.

The numbers at the foot of the columns (4, 211, 215, etc.) represent the number of concerns in each particular classification whose business is covered in the respective column above.

2557 The same scheme is carried out in the lower table, "Number of Heads Slaughtered". Here it is possible that there are some duplications, in that non-slaughterers may report livestock which they have had custom [fol. 1223] slaughtered, and the same livestock might be duplicated in the report from the abattoir where slaughtered. But the total of custom slaughter is minor in amount, as shown by the footnote at the bottom of the statement; and such duplications are not sufficiently material to affect the general percentages.

2558 The column of figures at the end of the lower table shows the percentage of total slaughter by all packers, as shown in the next preceding column, that was handled by the Big Four (Armour, Swift, Cudahy, and Wilson), as shown in the first column of that table.

2559 The figures on the several lines of this statement, opposite the classifications indicated at the left, represent the totals of figures for those respective classifications reported to our division by all packers whose business is included in the respective columns. Thus, the $957,417,940.16 appearing at the head of the second column of figures represents the total net sales, domestic, as reported to us by all federally inspected slaughterers other than the Big Four.

The figures for "Cost of Sales", which are compiled in the same way, represent totals of expenses as so reported, and include the cost of the raw materials and usually, also, manufacturing, selling, and distributing costs, overhead, and various items of that kind, although the various packers do not all uniformly include the same items.

"Total Operating Expense", the second item below, includes cost of plant operations of various kinds that are not put in with cost of raw materials and distribution.

[fol. 1224] As to the items, "Other Income" and "Deductions from Income," all of the matters included under

these items cannot be identified by reference to
2569-70 the packer reports. Where it is possible to identify it, "Other Income" appears to include interest received on investments, and other items representing income other than that from operations of the business as such, and the deductions represent such items as taxes, interest paid on outstanding obligations, and deductions of that kind not directly attributable to operations. We provide a blank on our report forms for those items, and the figures here given are the totals of the figures reported by the packers in those respective classes on those forms.

2560 The figures for "Net Profit" at the bottom of the financial statement represent the total net profits of the respective concerns there included, as reported to us.

2561-63 Government Exhibits 8, 9, and 10 are similar statements for the years 1928, 1927, and 1926, respectively, with the same explanations applicable, the only difference being that in the classification of net sales there is a separate item in the 1929 statement called "Miscellaneous Operating Revenue" which was set up separately that year for the first time, and is in the earlier years probably included in the figures for domestic net sales.

2563 There is a slight variation in Exhibit 10, indicated by footnote (a) at the bottom, in that two of the Big Four changed their fiscal years, and, as to them, only eight and ten months' business, respectively, is included in this statement. The figures for the Big Four here tend to be slightly less, therefore, than they would be if the full year were uniformly included.

[fol. 1225] Government Exhibits 11 and 12 are similar statements for 1925 and 1924, except that a slightly
2564 different classification is used. The difference lies in the fact that as compared with the preceding tables the reports for these years do not segregate the groups as to slaughterers and non-slaughterers.

The fourth column, headed "Non-federally Inspected," includes only slaughtering plants not operating under federal meat inspection, and does not include mere processers selling their products in interstate commerce.

2565 Processers who are not slaughterers, but who are federally inspected, would be included in the preceding exhibits for the later years under column 2. Processers who are neither slaughterers nor federally inspected, do not come within our jurisdiction and therefore do not report to us. The same difference in classification applies to the "Statement of Number of Head Slaughtered" for 1925 (Exhibit 11). That is, both as to
2567 the financial statement and the statement of slaughter, there is an artificial classification in 1924 and 1925 between everything federally inspected on the one hand and everything non-federally inspected on the other hand, only no statement of slaughter is given for 1924 for the reason that figures with respect to slaughter were not required to be reported in that and previous years.

2566 On Exhibit 11 the percentages of Big Four slaughter to total slaughter are larger than in some of the later years, partly, at least, due to the fact that in those earlier years there were more concerns that did not report, or whose reports were not in complete form.

[fol. 1226] Government Exhibit 13 is a condensed statement of operations, 1929, for the Big Four packers,
2568 which includes Armour, Swift, Wilson, and Cudahy, and is a breakdown of the figures for the Big Four included in the financial statement for the same year in Exhibit 7; and the "Total" column on Exhibit 13 is identical with the column "Big Four Federally Inspected" on Exhibit 7.

2570-72 Exhibits 14 to 18, inclusive, are similar statements for the years 1928 back to 1924, inclusive.

2572 Government Exhibits 19 and 20 contain tables showing the percentage of net sales for the Big Four (Armour, Swift, Cudahy, and Wilson) to the total sales of Federally inspected slaughterers, those of total slaughterers, and those of all meat packing concerns reporting to our Division. The amount of net sales here used, in each case, excludes foreign sales from foreign slaughter, but are otherwise the same as the net sales figures for corresponding years and classes of packers, contained in the Government Exhibits 17 to 18, inclusive.

The only exception is for the year 1925 (Exhibit 20), in which the figures as furnished by the original reports have been re-cast under classifications to correspond to those

used for the subsequent years (that is: segregating slaughterers from non-slaughterers), as distinguished from the classification used in Exhibits 11 and 12 (segregating Federally from non-Federally inspected packers, whether slaughterers or not).

The column headed "Number of Concerns," from these two exhibits, shows the number of concerns in each classification whose total business is covered by the money figures set opposite them, respectively. For instance: in 1929 (Exhibit 19), there were 211 Federally inspected slaughtering concerns other than the Big Four, whose total net sales, domestic and export, were for that year $1,000,289,581.69.

The item, "Total Not Included" in the second line from [fol. 1227] the bottom of each of these tables covers concerns from whom reports were received, but which, due to their fiscal year not being on the calendar year basis, or the fact that their reports were received too late,
2576 or for other reasons, were not included, as to number and business represented, in the tabulations contained in Exhibits 7 to 11.

The net sales of this group for the year 1929 is
2577 computed from the sales reported. For the year 1928, it is estimated. For the three previous years, the reports were not complete enough to enable a fairly accurate estimate of this business, and it is
2579-80 not included. The absence of that amount in these years tends to make the percentage of the Big Four show larger than it would have been with the inclusion of that amount.

The number of concerns in this class, with the computed or estimated volume of business by them, is added in and included in "The Total Per Packers and Stockyards Division," shown at the bottom of the table for 1929 and 1928 (Exhibit 19).

These totals, we think, represent substantially all that are subject to the Act, but there are probably some
2577 that we do not know of, or as to whom we do not have sufficient information to classify them properly. For the years 1925, 1926, and 1927, the total number of concerns shown at the bottom, in each case do not include this class of concerns whose reports were
2592-94 not included, as shown in the line above, so that the total number of concerns reporting to us in

each of those years will be found by adding together the last two figures in those respective columns, which would be 782 for 1927, 810 for 1926, and 615 for 1925.

The number of packers from whom we have received reports has increased since 1924, due to our more extensive effort to ascertain all packers engaged in interstate commerce, and subject to our jurisdiction. I cannot say to what extent that increase is due to new packers actually coming into the field, or only to obtaining information which brought already established firms within our jurisdiction. Both were involved.

[fol. 1228] As to the percentage figures used in these tables: The figures 100% appears three times, for the reason that it represents three methods of computing
2578-79 the percentage of the Big Four.

In the first column of percentages in each table, the total sales of all Federally inspected slaughterers constitute the 100% base with respect to which the sales of the Big Four are compared, while in the second column the net sales of all slaughterers, and in the third of all meat packers, slaughterers and non-slaughterers, reporting to the Division, are used respectively as to 100% bases. In each column, the percentage figures above represent the percentages of the respective items opposite which they stand, to these respective 100% bases.

2580-86 Government Exhibits 21, 22, and 23 contain tables showing comparison in percentage, between the net sales and profits of the Big Four, and the total net sales and profits of all Federally inspected slaughterers reporting under the Packers and Stockyards Act, for the years 1924, to 1929, inclusive.

As shown by the footnotes, the net sales here used exclude foreign sales from foreign slaughter, but this business is not excluded from the computation of net profits.

2629 (NOTE.—To correct this discrepancy, and by arrangement between counsel and Court, the net sales here used were later re-computed to include foreign sales from foreign slaughter, where the same is included in the computation of net profits, and percentage figures were revised accordingly. The corrections were then pasted in their respective tables to which they pertain.)

2584 It appears from Government Exhibits 19 to 22 that in the year 1927, Swift, Armour, Wilson, and Cudahy combined had 69.76% of the total sales made by Federally inspected slaughterers, whereas they earned 103.27% of the total profits of Federally inspected slaughterers. This odd situation arises from the fact that of the packers reporting to us in the group other than Swift, Armour, Wilson, and Cudahy, there were net losses in the consolidated statement representing a minus of 3.27%. [fol. 1229]. Government Exhibit 24 is a statement showing purchases of livestock by 832 packers reporting under the Packers and Stockyards Act for the year 1929, segre-
2586 gated to show purchases by each of the Big Four, individually, and by all other packers together; and further segregated to show the number of head of each species, and whether purchased at public stockyards posted under the Packers and Stockyards Act, or from other sources; and a combination of the two, to show total purchases from all sources. It also contains computations showing the percentage of livestock purchased by each of the Big Four by species, as at posted stockyards, and
2587 as at places other than posted stockyards, and as from both sources consolidated.

Data here given is compiled from our annual reports, except as to that showing purchases of Swift and Wilson, segregated as to source of purchase. These were furnished by those concerns to the Bureau of Agricultural
2588 Economics, and by them to us.

Government Exhibits 25, 26, and 27 are similar
2588-89 statements for the years 1928, 1927, and 1926, similarly compiled and subject to the same explanations.

In Government Exhibit 9, showing condensed
2590 statement of operations for 1927, the red figure $515,716.20, appearing opposite net profits at the bottom of the second column of the financial statement, indicates a net loss in that amount on a consolidated profit and loss statement of 187 Federally inspected slaughterers, other than the Big Four; not that each of those concerns sustained a loss, but that was the net loss for the en-
2595 tire group. That figure represents the difference between the sum of all the losses, and the sum of all

the profits of packers in that class. About 70% of
2596 those losses were sustained by about six concerns, out of which 47% of the total was borne by two concerns.

[fol. 1230] During the year 1929, there were 832 packing concerns which reported under the Packers and Stockyards Act, and since the end of 1929, we have received re-
2597 ports from 166 additional concerns, making a total
2598 of 998 concerns now operating under the Packers and Stockyards Act.

In Government's Exhibits 7 to 27, Armour, Swift, Cudahy, and Wilson were grouped under the designation "Big Four," because the tables were made as requested by the Department of Justice. Each of these con-
2599 cerns rendered reports separately to the Packers and Stockyards Administration, and the figures under "Big Four" represent a consolidation of the figures in those four individual reports.

Government's Exhibit 7 shows that in 1929, the sales of Armour, Swift, Cudahy, and Wilson combined were $2,558,742,455, and that the net profits earned in that year by those companies combined was $27,945,776; whereas, the sales of the miscellaneous packers reported in the next to the last column of Exhibit 7 were $447,229,982 in 1929, and that the net profits earned on such sales were $25,835,501.

2600 The figures contained in Government's Exhibits 7 to 27 include only packers who either purchase livestock at a posted stockyard or buy in a state other than that in which their plant is located and sell the products wholly within the state, or packers who both buy livestock in interstate commerce and sell the meat and meat food products in interstate commerce. The figures contained in these exhibits do not include:

1. A non-slaughtering packer who buys livestock wholly within the same state at points other than posted stockyards, and sells wholly within the same state.

2. A slaughtering packer who buys carcasses which it processes and manufactures, but who sells wholly
2601 within the same state.

3. Purely wholesale meat dealers, or jobbers, doing no processing, manufacturing or slaughtering, who have no

ownership relation with a meat-packing concern, as defined in the Packers and Stockyards Act.

[fol. 1231] 4. Farm slaughterers.

2603-04 The tabulations contained in Government's Exhibits 7 to 27, inclusive, start with the year 1924, because prior to that time reports were not received in very great volume. The Packers Act became effective August 15th, 1921, and the Packers and Stockyards Administration had been in process of development in the meantime.

2605 Government's Exhibit 7 shows that in 1929 there were 44,299,263 hogs slaughtered under Federal inspection, whereas the records of the Meat Inspection Division of the Bureau of Animal Industry as set forth in Petitioners' Exhibit 7 show that during 1929 there
2606 were 48,455,000 hogs slaughtered under Federal inspection. I do not know that I have any explanation of that discrepancy. The figures contained in Government's Exhibit 7 are compilations of the exact figures reported to us in annual reports but we have made no attempt to go back and check the accuracy of the reports submitted. The reports of the Meat Inspection Division of the Bureau of Animal Industry are received daily and I am unable to explain the difference between those figures and the figures contained in Government's Exhibit 7.

2608 According to Government's Exhibit 8, there were 45,177,260 hogs slaughtered under Federal inspection in 1928, and according to the Bureau of Animal Industry figures on Petitioners' Exhibit 7, there were 49,795,000 hogs slaughtered under Federal inspection in 1928. I cannot offer any explanation of that. The figures shown on Government's Exhibit 8 are compilations prepared from statements contained in the reports submitted to us by the 193 packers in the Federally inspected group.

2607 There are a few additional animals that could be added to the Federally inspected slaughterers which are contained under that miscellaneous column, if you will refer to Government's Exhibit 7, but it does not eliminate that difference you speak of, but it adds something.

[fol. 1232] Referring to Government's Exhibit 10, it shows 9,302,087 cattle slaughtered under Federal inspection in 1926, whereas the records of the Meat Inspection Division of the Bureau of Animal Industry contained

in Petitioners' Exhibit 7 shows 10,180,000 cattle slaughtered under Federal inspection in 1926.

2620-21 Meat inspection was established in 1906 and there are daily meat inspection reports or records made. So far as Federal inspection is concerned, the daily meat inspection records give a more complete and accurate record. I should judge that they would be very accurate.

2614 There is also a discrepancy between the total purchases of cattle from all sources by all packers reporting under the Packers Act, shown on Government Exhibit 25, as 8,955,400, and the total number of cattle slaughtered by the same 680 packers, shown on Government Exhibit 8, as 9,729,073, for the same year.

2616 Government's Exhibit 25 shows that 680 concerns under the Packers and Stockyards Act purchased from all sources 45,804,323 hogs in 1928, whereas Government's Exhibit 8 shows that the same number of packers report having slaughtered during that year 48,879,990 hogs, or more than 3,000,000 more than were purchased according to Government's Exhibit 25. This discrepancy is accounted for in part by the fact that Exhibit 8

2631 includes livestock slaughtered on a custom basis for other packers, as shown by the footnote at the bottom. Other than this, the discrepancy can only be accounted for, as I see it, by failure to report fully with respect to the number of head purchased. I think, as between the two, the report is more complete and ac-

2615 curate with respect to the number slaughtered than the number purchased.

In Government's Exhibit 13, the other deductions from income, amounting to $10,933,074.59 shown for Armour & Company in 1929, were shown on Armour & Company's report for that year as interest paid. There is noth-

2608 ing to show for what purpose or to whom it was paid. In the accounting treatment given, what Armour paid for labor used in the business is included as an operating expense, but not what Armour paid for money [fol. 1233] used in the business during that year. The same treatment applies to their business in Exhibits 14 to 18.

2609 Referring to Government's Exhibit 22, showing

2612 that in 1927, 187 Federally inspected slaughterers sustained a loss of $515,716.20, 77 of these firms sus-

tained losses and the other 110 earned profit. Six of these 77 losing firms sustained 70% of the total losses and two concerns out of these six concerns sustained 47% of the total losses. Many of the 110 concerns made very substantial profits in 1927.

Some packers other than the big four made
2613 larger profits than Wilson and Cudahy, not only in percentage on their invested capital, but in dollars and cents.

2617-18 The increase in the number of packers reporting to the Packers and Stockyards Administration from 525 in 1924 to 514 in 1925; 580 in 1926; 611 in 1927; 680 in 1928, and 832 in 1929, represents a gradual building up of information regarding packers subject to the Packers and Stockyards Act. There are 998
2619 packers reporting to the administration at the present time, as compared to 525 in 1924, representing an increase of 474 concerns.

2622 I have no knowledge of the volume of livestock purchased wholly intrastate, the products of which
2623 are sold wholly intrastate. There are so many small and local concerns and there is the farm slaughterer, if they can be classified within that group, and a multiplicity of various factors entering into it, that I do not believe that I could give a fair estimate.

2626 In Armour & Company's report to the Packers and Stockyards Administration for 1929, it classified interest paid as Expense, but in preparing Government's Exhibits 13 to 18, we placed interest paid under Other Deductions. The net profit as given is exactly the same in either case, but it is a question of where the interest paid is classified. Wherever interest is paid on outstanding obligations, bonds, etc., and Federal taxes, they are classified in the Government's Exhibits as Other Deductions.

The typewritten sheet appearing in Government's
2628 Exhibit 28 showing Profit and Loss and Surplus [fol. 1234] Reconciliation, was submitted by Armour & Company. The pencil figures shown on page 4, P. S. 17, were set up in the office of the Packers and Stockyards Administration.

2635 (86) E. C. ANDREWS, Special Accountant, Bureau of Investigation, United States Department of Justice, Washington, D. C., testified in substance as follows:

By request of counsel for the Government, I have prepared certain statements regarding prices on livestock and on wholesale and retail cuts, by years from 1913 to 1927, and by months from 1928 to August, 1930, inclusive.

Government's Exhibit 29 is such a statement for lambs, dressed lamb (wholesale), and leg of lamb (retail). The column of "Prices" under lambs are average United States prices per hundredweight received from the producer, taken from bulletins published by the Department of Agriculture. The prices under dressed lamb are wholesale Chicago prices, and under leg of lamb, average retail prices for the United States, as respectively indi-

2638 cated.

The column headed "Increase or Decrease" indicates the amount of variation from year to year, or month to month, as the case may be, in the corresponding prices for the animal, or cut, under which listed; for instance: under lambs, the price for 1914 ($6.49) represented an increase of 46 cents over the price for the preceding year ($6.03). Where the change is a decrease, it is indicated by a minus sign before or after the figure in

2640 question.

Where possible, these columns indicating changes have been placed side by side to facilitate their comparison.

Where no minus signs are used in the "Increase or Decrease" column, the figure represents an increase.

[fol. 1235] The sign at the top of each column ($. ¢) indicates the denomination in which the figures below are given; that is, the prices for lambs are in dollars per hundredweight, while those for dressed lamb and leg of lamb are in cents per pound. The changes shown in the "Increase or Decrease" column are also in cents per pound, although the changes shown for lambs may, for convenience, be taken as dollars per hundredweight to correspond to the prices at the left, or in cents per pounds

2640 to reduce them for comparison to the same basis as increases or decreases shown in the price per pound of dressed lamb and leg of lamb.

Explanatory notes at the bottom of the table interpret the symbols used and list in detail the sources from which these statistics are gathered. These sources are official publications of the Department of Agriculture, as to live lambs, and the Bureau of Labor Statistics, Department of Labor, as to the wholesale and retail cuts.

Government Exhibit 30 is a statement similarly prepared and subject to the same explanations, showing prices for steers, steer carcasses, and for loins and #2 loins, wholesale, and for sirloin and round steak, retail, which respectively come from those wholesale cuts. The prices given for carcass of native steers are Chicago wholesale prices.

2641 The official sources of this information are also indicated by the footnotes, but to these should be added Department of Agriculture bulletin #1029, page 930, labelled "Separate from Yearbook, 1928" as an additional source for prices of good to choice steers.

2643 Government Exhibit 31 is a similar statement relating to live hogs and to wholesale and retail cuts from that animal, with the same explanations applicable, and with sources similarly shown in the footnotes.

[fol. 1236] In each case, both as to lambs, cattle, and hogs, we have used for this purpose a representative retail cut coming from the wholesale cut used; that is, a leg of lamb comes from dressed lamb; sirloin steak, retail, from loins, wholesale; round steak, retail, from #2 rounds, wholesale; pork chops, retail, from pork loins, wholesale; bacon, retail, from bacon strips, wholesale; and ham, retail, from cured hams, wholesale; but we have not attempted to list all the retail cuts that come from a particular wholesale cut. These statements we prepared for the cuts requested by Mr. Teegarden.

[fol. 1237] (87) Dr. Arthur W. Miller, Chief of the Packers and Stockyards Division, Bureau of Animal Industry, U. S. Department of Agriculture, testified in substance as follows:

2739

I have some general knowledge of facts of local slaughter which is not related to interstate commerce in a way to bring it within the jurisdiction of our Packers and Stock-

yards Division. My knowledge has been obtained in three or four different ways: first, by actual contact with the slaughtering business throughout the United States; second, through surveys that we have made in connection with the enforcement of the Packers and Stockyards Act to determine whether or not certain slaughtering plants were subject to the jurisdiction of the Act; third, through information that we have gained in the enforcement of the Federal Meat Inspection Act—that is a part of the Bureau of Animal Industry (of which I am Chief); fourth, through studies of statistics that the Census Bureau has received. The slaughter other than that shown in Government Exhibits 8 to 26, inclusive, is composed of two parts; first, those local slaughtering establishments at country points, slaughtering and selling locally; and, second, what we characterize as strictly farm slaughter. The latter, in total number of animals slaughtered, is, in my opinion, greater than the amount of animals that are slaughtered by these strictly intrastate local slaughtering establishments.

2737 It would be my estimate that the slaughter under the jurisdiction of the Packers and Stockyards Act represents on cattle, sheep, and calves somewhere from 85% to 95% of the total kill in the United States, exclusive of farm slaughter. On hogs, the percentage probably would be a little less, i. e., the strictly local slaughtering plants probably slaughter a larger percentage of hogs, compared to the total, exclusive of farm slaughter, than they do of cattle, sheep, and calves. The figures that

2738 we submitted on swine would not represent more than 80% of the total slaughter in the United States, exclusive of farm killed animals.

In the State of Iowa, 12,000,000 out of 14,000,000 hogs purchased in that state are marketed directly; but a great deal of that goes into packing plants in other states.

[fol. 1238] (88) JOHN A. HARTFORD, President, Great Atlantic and Pacific Tea Company, New York City, testified:

2739 I have been associated with the A. & P. Tea Company for about 38 years, in various positions. I have been President of the company for nine years. Practically my whole life has been devoted to that business. I have

never been associated with any other chain store organization. The A. & P. Tea Company was organized
2759-60 about 72 years ago. It expanded its business from tea and coffee to include other groceries about 1890 or 1891. We got into baking powder, and then into extracts. We gradually got into the grocery business, as people began to leave these specializing stores. We did not develop very fast until about the time of the war, when we got into these cash and carry stores. We first began our cash and carry stores about 1911 or 1912; and since 1912 there has been a continuous development of the extent of our business.

2740-42 At the request of the government and in response to a subpœna, I have prepared certain information with reference to the business of the A. & P. Tea Company. About 17% of the sales of A. & P. through its stores is made under A. & P. brand designations. My best judgment is that of this 17%, 15% or 20% is manufactured by ourselves. We do not manufacture any of the goods that we sell under other concerns' brands. A large part of the 15% or 20% to which I have referred is made up by our coffee. We do not manufacture it, but we package and roast it; so that, exclusive of our coffee, we manufacture about 10% of the goods that we sell in our stores, with our own brands on them.

2740 About 25% of our sales is made under brands of concerns other than A. & P. That leaves 58% of sales of unbranded goods.

2742 We started originally as a tea and coffee company exclusively, so that our large coffee business is a [fol. 1239] survival of our original business.

As to A. & P. sales in its meat department with reference to how much of its goods are sold under A. & P. brands, my judgment of that would be that it would be under 5%. As I recall now, they only brands that I know that we have in our meat departments would be our bacon, and the larger part of it goes under our own brand. All we do with that bacon is to buy it from the packers, and slice it in our own warehouses, package it, and ship it to the stores daily. Our manufacturing process, that is, is limited to slicing up the wholesale cuts and packaging.

2743 Of the total sales through our meat departments, about 16% is made under brands of concerns other

than A. & P. The balance, besides the 5% sold under our own brands and the 16% sold under the brands other
2744 than ours, is sold unbranded. We do not manufacture or process any of the meats that we sell under other concerns' brands.

Our company has made studies for the purpose of estimating the total meat sales at retail in the United States, through all retail outlets of any sort. A year ago I think the total was close to $5,000,000,000 at prices then prevailing. Our exact estimate was $4,900,000,000. Out of the total of close to $5,000,000,000, we would figure that about $3,800,000,000 of that is available to our company as prospective business.

There has been a decrease, I think, of at least 15% to 20% in meat prices; so that would have to be deducted from that figure.

In certain parts of the country we have not developed at all. Up until a few months ago, we were not on the Pacific Coast. The last figures, as I remember, were that we only covered about two-thirds of the population of the United States; so that part of the difference between the figures of $4,900,000,000 and $3,800,000,000 is a territorial difference. [fol. 1240] I think also that the $4,900,000,000 figure includes sales to restaurants, dining cars, etc., though I am not sure that those sales were deducted in the $3,800,000,000 estimate. I would not consider sales to restaurants, dining cars, etc., as available to our competition. We are not in those lines of business.

2746 We have about 15,000 stores located in 3,864 communities in the United States.

2747 As between perishable and non-perishable goods sold in the grocery store, the non-perishable type is best adapted to sell under brand designations. Anything that is sold in a package would be easier to brand than goods that are sold in bulk.

My judgment would be that fresh meats are not adapted to sell under brands.

2747-48 I am acquainted with the terms, "leaders" and "loss leaders," as referring to retail merchandising. I do not like that word "loss", Mr. Teegarden. We have a very strong rule in our company that any sales manager who prices goods under cost has got to look for another job. I wish you would take the word "loss" out

of that. We do have leaders, sir. It has been a practice in the grocery trade to have leaders, I guess, for many years. We do have leaders, and those leaders are selected by the different divisional sales managers.

Our business got so large that we had to decentralize it. We could not sit in New York City and tell them what price to charge for eggs, in Dallas, Texas; so we decentralized our business, our sales, our buying, and everything. A great many thought it was a radical move, but we had to do it in order to conduct the business, or undertake to control the sales in one place.

We set up six divisions with six general sales managers. Under those men in each community, which would be a group, say of 500 stores, we had a sales manager. Where the radius covering a division (in which there are about 2,500 stores) was small, say 25 to 50 miles, the sales policy would [fol. 1241] be in the control of the division sales manager. In other divisions, where there was a mileage of 1,500 or 1,600 miles, the sales policy would be controlled by the community sales manager.

2749 The community sales manager is in charge of 200 or 300 stores. It would be left to his discretion to decide what he would use for a leader. He might be governed by the general conditions of the market, his overstocks, competition in a certain way. He might use a standard brand of goods. If it was a heavily developed meat district, he might use meat. In another district, he might use butter—in another district, sugar. Thus, the entire policy of sales is left to the divisional presidents and their sales managers. We do not interfere with that at all, providing, as I say, they do not make too low a cut in those goods. There are a great many people who lean toward standard brands of goods in making their leaders, because they are known, and they can make a comparison.

2750 The designation of leaders is never left to the local store manager. An article designated for sale as a leader ordinarily will be so offered for a week; never longer than that; but in some cases, only two days.

2751 It is difficult to say whether, averaging the prices at which we sell a commodity as a leader in a particular district with the prices elsewhere where the same commodity is being sold on a regular basis—whether that

average would be a profit or non-profit price. We have not defined our business to such an extent that we can calculate profits on individual items. For example, we might sell cigarettes at a 5% gross profit and make money on them, while if we sold potatoes at a 10% gross profit, we might lose money. Cigarettes are easy to handle. Potatoes are bulky goods, hard to handle, and have to be weighed. We are going into the question very carefully, and I think in another six months we will have
2751-53 figures to show what our profits on individual items are.

Our buying is also decentralized, in a measure. Of [fol.1242] course, companies like General Foods have a certain price for their goods, and we pay as much for Maxwell House Coffee as the man who buys ten cases of it. There is really no buying of General Foods—it is placing orders. We have formed a company called the Atlantic Commission Company, with offices in all the large cities where we have stores. We place our orders in those particular places for all our green goods. There is a certain amount of local buying done in these units or these divisions. If there is a certain class of goods manufactured or produced in the Pittsburgh district, the Pittsburgh buyer of that division will buy the goods for Pittsburgh and all the stores in that division. We would not be tied in on that buying at headquarters. So, in a measure, we are decentralized; in a measure, we are not decentralized on the buying. All our coffee and tea, for instance, is bought at headquarters.

2752 Our meat buying is handled entirely by the divisions, without any directions. This meat business, of course, to us is a new business, and we have not got it refined. It is developed in some divisions to a greater extent than others. We never instruct from headquarters a district buyer of meats to withhold orders from a particular concern.

2753 In a large chain store concern such as A. & P., selling meats on the scale that we do, a steady and reliable supply of meat and meat products is essential and vital to the proper conduct of our meat business. Handling meats in the quantities we do, our organization can be serviced decidedly better in the supply of its meat products by large scale manufacturers than by small scale manu-

facturers, particularly where our business is intensively developed. In the eastern division, where the business is particularly intensively developed, we do not think it would be possible to supply these stores with the grade of
2754 meats that we want from the small independent packers. We could not supply our stores with the quality of meat, without the Big Four packers. I do not think the [fol. 1243] smaller ones are in a position to give us the service or the quality.

I think I am correct in stating that in the eastern division, about 90% of our entire meat business is bought from the Big Four. I am convinced that due to the very large sales of meats in that division, we are getting better quality. I really think it would cause our company tremendous embarrassment—I do not know what we would do—if we lost those channels. We can buy 20 carloads of meat from these companies, and we will get it in, and it is proper and right to go out.

2755 In some of the divisions where we have not developed a meat business and our markets are small and we do not buy in such quantities, I think our task is much easier; but the future of the meat business of our company is such that we have got to get out of the small markets. We cannot give the consumer the proper deal, the proper price, and the proper quality, with small turnovers. We have closed many meat markets and small grocery stores on account of large overhead. We must develop a larger turnover, and my judgment is that we cannot get the services from the small man. I think we made an estimate to the Federal Trade Commission once, and found that we were buying goods from 400 to 500 packers.

2756 The effect of the importance of large turnover to us is the closing of a lot of our small community stores. For example, if we had a $2,000 a week store and a $500 a week store, the overhead in the $500 store would be 2% or 3% higher. We would then have to price our goods 2% or 3% higher to get out even. So we decided to abandon the stores and develop the larger markets, because what is in our mind is to get these goods to the public at as little money as we possibly can. In our shift from the small to the larger store, the public has benefited from our decrease in overhead.

2757 Whether, if a large chain store organization should suddenly find itself cut off from the large packer as a [fol. 1244] source of supply, it would become desirable for the chain store organization to create sources of supply for itself, on which it could depend on a large scale, is a pretty distressing question to me. It is a pretty hard question to answer. If our company could not get any more meats from the packers, we would be confronted with a very serious situation. It seems to me we would have two alternatives—either to go out of the meat business, or into the packing business. Before going into the packing business, we would give that step very serious consideration. I think we have got worries enough trying to run these retail stores without trying to slaughter cattle.

2758 I think the fact that we can get the service and the quality from these large packers is a great incentive for the company to expand its meat business. We find that the public like to buy their foodstuffs under one roof. I think the automobile in a measure is responsible for that. They come in and they park, and they like to buy their meat, their green goods, and their groceries under the same roof. That is one of the reasons that got us into the meat business. Where we have bought from the Big Four, our meat business has gone ahead faster, and I believe that is due to the service and the quality of the meats.

2759 Now if we had to go to the independents for our supply of meats the result would be, in my judgment, that we would instantly force the prices up on ourselves. I cannot imagine a situation of that kind, to throw this business into the small packers, who are not equipped for it. I think we would force the prices up on ourselves. I cannot conceive of such a situation.

2761-62 (89) PETER VAN BEVEREN BOUTERSE, Treasurer and General Manager of McCann & Company, Pittsburgh, Pennsylvania, testified:

McCann & Company does a retail cash and carry food [fol. 1245] business. It sells both meats and groceries. As far as we can find out, it is the largest independent retail food business in the United States, under one roof. In our main store, we do a business of $5,000,000 a year. About

five weeks ago, we opened up a new store, which is going at the rate of $1,800,000 per year.

2762 It is really impossible to give the approximate number of meat items such as sausage, frankfurters, steak, etc., that we carry in our store, because we have a foreign department and carry everything from Prague Ham down to Ponhaus. I suppose there must be over a hundred items. These are handled in several departments, delicatessen, foreign foods, poultry, meat, and smoked meat. I am not the head of the meat department; so am not as familiar with this as I should be.

I should say that our meat sales approximate about 27% of our total sales. That does not include the foreign meats and the meat products handled in the delicatessen department; but foreign or imported meats form a very small proportion of the total meats we handle.

2768 We buy approximately 75% of our meats from the Big Four packers, principally Swift, Armour, and Wilson. Cudahy is not in our territory. Seventy-five per cent refers to our meat sales, exclusive of poultry.

2764 Included in the 72% to 75% of our non-meat business is a rather large restaurant and cafeteria, a soda fountain, luncheonette, and sandwich bar. From figures that we have been able to compile, the proportions in which our meat and grocery sales are divided are fairly representative of the proportions of such a business in normal or usual combination meat or grocery stores. We have compared our figures with figures of such stores as Pierce of Boston, and we are doing about an average job.

2765 We buy in large quantities from most of the large food integrators, such as General Foods, Standard [fol. 1246] Brands, National Dairy Products, Beech-Nut, and organizations of that sort that have combined in the integration or merging of different food commodities for sale or manufacture. The largest quantity we buy from any one of these concerns is not as large as the quantity we purchase from one of the leading packers, for the simple reason that there is no one person in the canned food industry, for example, that is as important in his field as the meat packer is in his same relative field. There is no one man making canned goods even with a nationally advertised brand that is as essential to our business, or to whom we

must go if we wish to maintain a certain standard of quality.

Sixty percent of our entire meat business is what is commonly known as premium beef and yearling. We do not sell any of the lower grade steer beef; so we have a different situation in foods, where we may carry anything in dry groceries from a dried pea of a very cheap quality to a very fine imported French canned pea. There is only one premium beef, and we can buy it from about four people, where we might buy any given item in any one of our other departments from many more sources than be can buy the premium beef.

2766 I am familiar with the general collection of food items which are sold by General Foods, Standard Brands, and similar companies. I cannot conceive of Standard Brands, for instance, in their effort to sell so many different things—how they could compare, or how our total purchases from General Foods, for instance, all the way from mayonnaise to almost anything can compare in size with our purchases of premium beef, practically one item. There is no one article that we sell that would make up the total volume at the end of the year, with the possible exception of coffee, which we process. We roast our own coffee, and pack it. That is the only single item that 2768 would exceed our premium beef department's total volume.

With reference to deliveries to us of non-meat lines from [fol. 1247] a particular company, compared with deliveries of meat lines from a packer—for example, deliveries from General Foods, as compared with deliveries from one of the Big Four—individual deliveries of the former are smaller in bulk than the latter. Meat is a very bulky thing. A meat delivery would be much heavier. Canned goods are generally drawn in from our warehouse. We keep a separate account, so that a comparison with meat deliveries is difficult, because if we get in a carload of a certain type of canned goods, we probably would not bring all of it into the store the first time.

2769 We use leaders in our retailing. A leader usually is continued for three days. We very rarely have leaders at the beginning of the week. Leaders may continue for a week—occasionally for two weeks if we run into a competitive fight the following week end. We never cut our prices after we inaugurate a price, but we may come

back the second week to meet competition. We never go below it. If a competitor undersells our special price, rather than withdraw our price and go back to the regular price, we meet the competitive price, but do not display it very prominently. In those cases, our leaders run over ten days. The primary purpose of leaders is to attract people to the store. We have 14 department managers. One department manager may be smart enough to stay away from leaders and keep his gross margin up and let the other fellow bring the crowd in. We have to watch them to see that any one department does not do all the playing of the brass band. It is difficult to estimate the largest number of leaders we would use in the store at one time. It is the timeliness of the item, rather than the number of items. We do not believe in a great number of items being advertised.

2770 We advertise very few items at a time, rarely over 12 or 15 items, even on a full page of advertising.

As to buying futures, that involves a bookkeeping [fol. 1248]. question. Some stores charge futures in and charge the department interest for money invested. Others charge them directly to stock the moment they enter the warehouse. I would say that as a policy we are trying to keep our stocks down and buy more often. There has been a general trend toward that in the retail business. It is called "hand-to-mouth" buying. The trend has also been toward reducing inventories for quicker turnover. The effect is very greatly to increase the importance of quick and prompt deliveries by the people from whom we buy.

2771 If the large packers upon whom we rely for our meat supplies should go into the retailing business themselves, in competition with us, I assure you the effect upon us would be quite disastrous. For instance, last Friday and Saturday, we advertised two carloads of Swift's Premium pork loins for Friday and Saturday selling. We advertise many meats by trade names. We advertise Armour's "Star," or Swift's "Premium," or Morris' "Supreme"; and when we sell meat products, contrary to Mr. Hartford's answer, we believe that the trade mark in meat is very important; and I assure you the packers must believe so, with the money they spend to advertise.

I am including fresh meats. I am sure our meat department has been built up by the fact that the public has been taught to know what the premium beef means. We could

not build up our meat business on yearling or cow beef or steer. We must designate whether it is Armour's Star or Swift's Premium beef in order to get the customer. The customer has been trained to know that name and she looks for the mark. For many years this type of merchandise was not marked, but now the outside of the beef, referring to fresh meats, is marked at intervals of about half-an-inch, with the name of the packer and his trade name.

2772 I do not believe I am competent to answer how it would affect us now if Swift and Armour should go into the retailing of these brands of meat in competition with us. Their methods of operation, and their policy [fol. 1249] toward their former customers, the merchandising plan behind it, their method of distribution, the type of service they would render, and so many things, would enter into an answer of that sort. Knowing what I know about the extra margin we make on the hams that we smoke, and the bacon that we manufacture, and the bologna and sausage, I would say that we could not compete with the packers in price. Also if there was no sense of duty on the part of the packer to furnish me first, I should presume that he would take care of his own customers first, and I might find it increasingly difficult to get my orders filled if my source of supply had suddenly become a distributor.

2773 We get our deliveries of meats from a local packing house branch in Pittsburgh. With respect to groceries, we have very many local branches and warehouses in Pittsburgh. A city of that size has a representative stock from practically every big food distributor, so that we receive practically everything—except butter, which we buy in Chicago, and eggs—by direct delivery from local branches. Butter and eggs come in carload lots in refrigerator cars, very rarely in less than carload lots.

2774 (90) WALTER KALLBREIER, a retail grocer of Louisville, Kentucky, trading under the name of Kallbreier Brothers, testified in substance as follows:

We handle groceries, meats, and vegetables, doing a total business of $125,000 a year. About 28% of our business is in the meat line. I have been in this business for nine years,

all the time with this concern. We buy our meats
2775 mostly from local packers, the majority from the Louisville Provision Company, and do not buy meat products at all from the larger packers. We find the service of the local packers adequate.

2775 In lieu of the further testimony of this witness, it was stipulated that such further testimony as the witness would give would be of the same substance and effect as that of Mr. Bouterse.

[fol. 1250] (91) DONALD SCHEELE, of the August Scheele Company, selling retail groceries and meats in Elgin, Illinois, testified:

2776 We do annually approximately $750,000 to $800,000 worth of business, within a radius of approximately 12 miles. We have two or three suburbs of Elgin that we take in—rather wealthy communities that we serve. Otherwise, our business is purely local. We deliver to these other communities by truck.

2777 About 18% of our business consists of meat sales. We depend upon Swift, Armour, and Cudahy for our meat supplies. We buy very little from the small packers. There is one local packer, from whom we buy nothing but a few articles in the smoked meat line. The small packers in our community we find are not equipped to deliver the quality or quantity on short notice. We buy two or three times a week. We have built up our meat department on a purely quality basis, premium steer beef—and it would be rather hard for us to find another source of supply in case this were taken away from us. By "premium
2779 steer beef," I do not refer to the brand of any particular packer, but refer merely to the best quality
2777 beef. We cater to a more select trade.

2778 I think it would be very disastrous if we should find the large packers from whom we buy retailing their own meats in competition with us. In fact, I have no idea where we could draw our source of supply from in our community. We are situated 36 miles from Chicago, and these big packers seem more or less to have monopolized the packing industry in that community, and con-
2779 sequently you will find very few small packers in the community. I do not know of any packers who do

business in the beef line with any of our competitors there, except Armour, Swift, Cudahy, and Wilson. There are a few small packers in pork, I think.

In lieu of the further testimony of this witness, it was stipulated that such further testimony as the witness would give would be of the same substance and effect as that of Mr. Bouterse.

[fol. 1251] (92) JOHN COODE, a retail grocer doing business as a corporation under the name of Crone &
2780 Jackson Company, in Nashville, Tennessee, testified:

My sales amount to $160,000 a year. I sell within a radius of eight miles around Nashville, delivering by truck.

2781 My meat business constitutes approximately 20% to 21% of my total business. My meat business consists of general meat lines, including smoked meats and fresh meats. For my supply of meat products I rely principally upon local packers who slaughter locally in our town. We buy some meats—not over 20% and probably not over 10% or 15%—from Armour and Swift. We cater to a better class of trade who like good foods and are able to pay. We do a credit business.

2782 It would affect my business very little if the packers from whom we buy our meat supply should retail their own meats in competition with me. For example, we handle Star bacon. I think Star bacon is a very fine brand; it is a popular brand, and well liked; but our volume of its sales would be just that much gone. It just depends on the retail price to the customer. Of course, if a competitor came in and cut that price, I would loose that much profit by meeting it, and if I did not meet it, I would have to lose; but it would be a very nominal part of my individual business.

If the packers should retail meats and groceries together, in competition with me, in my opinion, it would be a question of the survival of the fittest. If they were better merchants than I was, they would get by. It would be hard competition. I am not looking for it, not hoping for it.

2703 We meet a good deal of competition now. We compete with four chains, at least two of which are

good merchants. The Hill chain has 100 stores in Nashville; A. & P. about 10; Piggly Wiggly about 20; and Saunders eight or nine. There are about 150 chain stores in our town. I am not in direct competition with them, because [fol. 1252] I do a big service and credit business. Where people want the most for their money, they get it from them; and where they want the best for their money, they get it from me. I find that an efficient business doing a credit and delivery business, catering to that class of customer, can keep going, even in spite of the chain stores. I have been maintaining myself for 14 years, and if it does not get any worse than it is, I am going to be around a while longer, if I live.

2784 (93) OTTO P. KUGLER, a retail grocer doing business under his own name, in Milwaukee, Wisconsin, and part-time Secretary of the Wisconsin Retail Grocers' Association, testified:

I am a small community grocer doing a $40,000 a year business. I handle only groceries and no meats outside of bacon, which we slice ourselves. I am located in the outskirts of the city at 1150 27th Street.

2786 Invariably our merchants, from my contact with them, within a week or ten days, will drop or raise their retail prices on a different commodity, every time the wholesale price drops or rises, especially on perishables. Perishables change more in price than the canned goods do. The rapidity of turnover has something to do with it.

2787 It is good merchandising policy even for a small merchant to work for rapid turnover. He should, within a period of ten days, place even staple articles at a reduced price in order to dispose of his stock and get his turnover, and then get into the market to buy on the present prices.

There are factors which make it difficult for retail prices to rise and fall, precisely as wholesale articles do, on the same commodity. As an illustration—about two weeks ago, a chain outlet became a combination market. The gentlemen who operated that firm happened to be just two doors away from this independent market which operates

four stores. When the chain put in a meat department with [fol. 1253] their staple groceries, fruits, and vegetables, immediately this independent market slaughtered prices to way below cost, because of the necessity of meeting the chain competition.

2788 In another case a meat dealer, when a competing A. & P. store put in meats, decided to put a grocery department in his meat store. He engaged the services of a man at $40 a week and 1% of the sales; and the sales a week ago Saturday were $1,500. He dropped his prices on the grocery items. If that man is to make a profit, he will have to make up his margin on his meats. So far as his grocery sales alone are concerned, he could not survive the competition. We heard Mr. Hartford of the A. & P. Company testify that if an A. & P. unit had too large an overhead and it did not pay them, they withdrew that unit from their system. I surmise that it is the hope of the independent of whom I spoke to force that condition in this particular community. He is trusting to his ability to make it unprofitable for that particular chain store. If he does not succeed, he is just naturally out of luck. We buy some of our grocery lines from General Foods, Standard Brands, etc. We buy through a distributing jobber, who is a sort of commission agency for Standard Brands. The jobber makes some of the deliveries to us from goods that he has in stock; and Standard Brands itself delivers the rest, from a pubilc warehouse in which the merchan-

2791 dise is stored. Standard Brands uses its own trucks.

We are able to buy from the Beech Nut people direct, without going to a jobber. Some of the rest of the brands we are not able to buy direct as yet, except through a buying group.

2793 I am a member of a small voluntary chain consisting of 20 stores. We are not associated with any wholesale house. We meet once a week and club our orders. We get specialty men in the various commodities that we need, and try to get the very best prices that we can. I take care of that through the jobbing houses, or, if possible, get it direct. All of the 20 stores are located in Milwaukee. One-fourth of them are combination meat and [fol. 1254] grocery stores. We do not club orders on perishables, because of the nature of the product, which

does not make it desirable to handle them. It is difficult for any group, no matter whether it is a big organization or not, desirably to distribute perishables.

2799-2802 There are quite a number of groups or clubs out our way—about 69 or 70 in Wisconsin at the present time. These are all connected with the National Association of Retail Grocers. We are not exactly a voluntary chain. We do not adopt a name for all our stores, or anything like that. We do what the voluntary chains do in group buying, in order to get the benefit of larger buying power. We also get in our advertising service. The jobber or wholesale grocer enters the picture with reference to the store re-arrangement plan, which we call the Milwaukee Plan. He assists in the plan of making better and more attractive stores, both morally and financially. The retail member of the group does not receive financial help; but, for example, he is given the assistance of a man capable of intelligently re-arranging his store, according to the latest merchandising principles. We have never tried to give a man financial help to buy equipment.

2793-94 I have never been in the meat business. If the packers should go into retailing groceries and meats in the same stores, it is my opinion that it would mean the passing of the community grocery. The intense system of present day merchandising would not permit the expansion of the ordinary retail community grocery to meet that competition, which we could foresee that probably the packers would go into. The fact that they would operate combined meat and grocery stores would also put them in a better position. The trend is toward

2794-95 community merchandising under one roof. The question of finance also enters in. For two years I have been at the end of a store re-arrangement plan [fol. 1255] which would make the independent a better place to trade, by better merchandising methods; and bring the store into the style and shape in which the people would be able to merchandise the same as they are in some of the larger localities; but on account of finances and various other things, we find that we have a difficult time to bring this merchandising plan into being. This plan necessitates the buying of new equipment, such as show cases, modern refrigeration, etc.

2799 As a result of the cry of the public to be better served, there has been a rather intensive movement in recent years to revamp stores, making them cleaner, more sanitary, better lighted, more attractive to customers, and the arrangement of the lay-out inside the stores, so that it would be more convenient to the customers. To some extent, chain store competition brought this about; but the main desire of the merchant was to serve the public in a more efficient manner.

2795 The small grocery store is to some extent confronted with the question of finances, but not so much.

Where there is a keen little merchant, he is able to do it, and at the present day, he will go ahead and try to improve himself; but sometimes even that defeats his purpose, on account of competition. To finance the purchase of new equipment, the grocer sometimes borrows from his banker; sometimes the jobbing houses have helped him out.

2796 I compete with an independent store handling both meats and groceries. An advantage accrues to the independent by virtue of the fact that it handles both meats and groceries. Its grocery department has to some extent increased the meat business. If I also handle meat, it would give me a better leverage; but most of our retailers are holding back on the combination meat and grocery department, on account of impending quick-freezing developments which might force them to change their [fol. 1256] entire equipment in another year. It is just a matter of another year before we will see most of these retailers putting in a combination market. Quick-freezing would be used for fruits, vegetables, meats, and poultry.

2798 From my contact with the retail trade of the State of Wisconsin (and I have just been through the state to 15 local associations), I express the opinion that the feeling of the trade, with reference to the effect upon them, if a system of retailing should develop whereby the large packers would be retailing their own meats and groceries, including the use of the quick-freezing process, is that in the majority of cases the independents would be put out of the picture of food distribution. The use of quick-frozen food would require a new and different type

of equipment, and the independents would have some difficulty, from a financial standpoint.

2803 (94) ERNEST BUFFETT, a retail grocer trading under his own name, in Omaha, Nebraska, testified:

2813 I have been in business about 37 years. My busi-
2804 ness is located in the better residence district of the city. In 1929 I did a business of $240,000. About 23.5% of that consists of meat, including one and one-half per cent, which is of poultry.

2813 In 1928 my business was about $7,000 less. In 1926 my business was about the same as in 1929. In 1927 and 1928 it slipped; but in 1930 will be less than one per cent away from the 1929 figure, despite the depression. About ten years ago we did a business of
2821 about $128,000, making an increase of $60,000 in ten years. That increase has not been due to any extent to an increased price level of the things we sell. Our prices now I do not think are on any higher level than they were at the close of the war.

[fol. 1257] We have several sources of meat supply. We buy from Morrell & Company, pork packers; Decker,
2804 Cudahy, Swift, Armour, and two independent packers—Hoffman, and John Rath Packing Company, located in South Omaha. Our purchases from Cudahy and Swift are delivered by truck from local branch houses in Omaha. Armour has recently closed its Omaha branch, and delivers from its South Omaha branch, which is its packing plant. Cudahy and Swift also have packing plants in South Omaha; but all sales to us are made through the Omaha branches, which are four miles away.

2806 Twenty percent of all the meat we purchase comes from Swift, Cudahy, and Armour. Since Armour discontinued its branch house, our purchases from it have been practically nil, except for lard and hams. The reason we no longer buy from Armour is that our meat buyer finds it more convenient to stop at the branches of Swift and Cudahy in Omaha than to drive to South Omaha to visit the Armour plant.

2807 I belong to a cooperative group, which happens to be the first group which started cooperative advertis-

ing in this country.

2814 There are two other groups in Omaha—one known as the Handy Service Stores, with 20 or 25 members; and the other called the Tiptop stores, with about 25 members.

2807 Our group consists of 17 stores, all located in Omaha. We advertise in the two daily papers Tuesday evening and Wednesday morning, for specials that we offer for Wednesday and Thursday; and on Friday
2808 we advertise different specials for Saturday only. Some Wednesday specials may carry over until Saturday, but never over into the next week.

2807 We have not over 30 specials on the Wednesday list, and about ten on the Saturday list. These items are seasonable, merely descriptive wording, and the prices cut a trifle on all of them, and rather deep on two or three [fol. 1258] items. None of them is cut to a no-profit basis. That is not the policy of the organization. All the 17 stores are known as the "Buy-Rite Stores."

2808-09 Due to the fact that the different stores in our organization handle different grades of meat, we do not use leaders in our meat departments. In some districts they do not require the same grade of meat that we would, or the same grade of lamb; and we have had practically no success in offering meat specials, with the exception of such items as hams, strip bacon, or cured
2821-22 spare ribs. We do not concentrate buying of meats for the chain.

2809 We use leaders along the line with merchandising, as it is done to-day in any line of business. Every line of business adds a price on their merchandise when they mention it in the newspapers, not necessarily a deeply cut price; but the public, when they are told about an article, are interested in what the article will cost them. So it is not necessary to cut the price if you want to sell an item, but tell them about the item, and then give them the price at which it is being sold. In other words, if you describe the article without stating the price alongside, the consumer would not be interested in the article. The object of leaders is to draw trade, to attract buyers who are now buying goods elsewhere.

2810 The average consumer to-day wants to buy her food supplies under one roof. If she is attracted to

our store by our specials in the grocery department, and fruits and vegetables, she will, in all probability, buy her meats from us.

2811 It is quite necessary to-day to have both groceries and meats. We just would not be able to attract the trade with just groceries in our districts. We have to have meats, and our idea is to use the grocery specials to attract the trade, and then display our meats and price them in the store to attract the customer to that department, after he [fol. 1259] is in the store. We have practically no specials to offer in the meat department.

2812 If Swift and Armour should go into the retail business, retailing both groceries and meats, that would have a serious effect on our business. In my years of experience, we have had many forms of competition. However, their sources of supply have been from the wholesaler. The first competition that we had was from the department stores. They bought from the wholesaler. We had a great deal of radio selling in the west. Most of them came through a wholesaler. As to chain stores, they buy goods direct from the manufacturers, but they have an overhead expense in their warehouses of about six percent. Through collective buying the jobbers are willing to work with us on a six percent margin; so that we own our goods in our salesrooms at practically the same prices as the chain store owns its goods in its salesrooms.

If the packer should retail, he would take the position of manufacturer, jobber, and retailer in one. If he happened to single me out, and wanted the business in my community, I would not last very long. There are men in the world who are not above taking advantage of a situation, and cutting prices continually until they do get the business in that particular vicinity. It has been done and will be done again. I think it would be quite disastrous to a man who was buying his goods from a jobber to have to meet that kind of competition.

2815-20 If Armour and Swift wholesale groceries, along with meats, if they confined themselves to wholesaling, I do not know that it would affect our business. It would perhaps give us additional sources of supply, unless they eliminated the sources that we now have. In all probability, we would seek to find out whether or not we could [fol. 1260] buy from them in competition with others.

There is a possibility that they could bring about economies in distributing their present products, if they had the other lines added. However, I cannot help but feel it would be to the detriment of already established distributors. We all enjoy clean competition, and I am glad to have competition that works at a profit.

If Armour and Swift handled canned goods at wholesale, and absorbed part of their present overhead in handling these articles, with the distribution facilities that I know Armour and Swift and concerns of that kind have, I do not honestly believe that they could put the goods into our stores any cheaper than it is now being done by a wholesaler. We are now buying our goods on a margin of five percent over opening prices in California. These goods are brought into Omaha, that is, plus the freight. They are delivered to the different stores, billed on 30 days' billing. That service is performed for five percent, and it is performed very efficiently. The packers could not perform this service any cheaper or any more efficiently. If they handled the whole system from manufacturing through retailing, they could pick out certain districts and operate at a loss, while the profit is going on in the rest of the country. We have a case in Omaha at the present time where chain stores practiced local price cutting methods, singling out certain stores and endeavoring to undersell them. Our local association gathered the facts and presented them to the Attorney General. He told the chain stores that if they continued to single out a store and cut the prices below cost, he would absolutely withdraw their charter to do business in that state. So in a case where we found a chain store intensively competing with one small locality or one merchant, the matter was brought to the attention of our public authority. [fol. 1261] Going back to the question of overhead in the wholesale function, while the chain store performs the function that otherwise the wholesaler would perform, it
2819 costs money to do it. I understand that the average chain store has an executive and warehouse cost of six percent. Independent wholesalers in our district have an overhead cost of around nine percent or ten percent; but on collective purchases, quantity buying, etc., they will handle our business on a five percent basis. The last figure that we have as to the total number of independent grocery stores in the United States, exclusive of chain stores, and

small grocery stores of the hole-in-the wall variety, is 325,000.

2814 The chain stores in Omaha are the A. & P., with six stores; Piggly Wiggly Stores operated by Safeway; and O. P. Skaggs, with seven or eight stores. O. P. Skaggs is a brother of the Skaggs that owns Safeway. There is also a local chain called the "Hinky Dink," with about 30 stores. Tuckman Brothers operate five stores, but I would not classify them as a chain. It is always difficult to say when a chain is not a chain.

2815 I know that the A. & P. have their own coffee buying headquarters in South America, and buy there regularly. I did not know that the A. & P. canned salmon in large quantities in Alaska. I understand that they have connections in California for fruit.

2822 (95) JAY D. MILLER, Vice-President and General Counsel for Sprague-Warner & Company, Chicago, Illinois, testified:

Sprague-Warner & Company are importers, manufacturers, and distributors of food products. They do not retail, but wholesale and do some manufacturing.

2828 We handle substantially all lines of food products.

2822 We ship our goods to our customers to a large degree by railroad freight. We make truck deliveries in and [fol. 1262] about Chicago. We have distributing points from which goods are distributed in various parts of the country. I do not know how many we have. We deliver in all the states in the country. On the West Coast we have distributing points at Los Angeles and San Francisco. In making these distant deliveries, we are required to use less-than-carload freight, to a very large extent. The greater portion of our business is handled by less-than-carload freight. We, and not our customers, pay the freight, i. e., our shipments are prepaid. I am not intimately acquainted with the rate structure applicable to railroad shipments. That is in our freight department. I have nothing to do with that. I know that the cost of freight in less-than-carload shipments is an element of cost entering into the price at which the customer must sell his goods is very important.

It is also very important in our ability to sell the customer goods at an advantageous price.

2825 I have no knowledge as to actual freight costs on particular varieties of shipments. Our competitors are usually wholesalers and manufacturers. We handle meats only that are cured.

2826 If it should be possible for a competitor of ours to ship less-than-carload quantities of wholesale groceries in a way that resulted in no additional freight payment by him, or in a way that would cost him substantially less than the less-than-carload freight charges which we are compelled to pay on similar shipments, if long continued, that would be very disastrous and ultimately, I think, would seriously affect the jobbers of the United
2827 States in our line of business. The net profits of the business are so small. I cannot give you our net profit accurately, but it will run usually from two percent to two and one-half percent of the sales. I think that
2828 is fairly representative of the business.

Our competitors are many. We compete with local [fol. 1263] wholesale grocers, some of whom do business interstate. I do not know whether there are many concerns as large as Sprague-Warner & Company in our line.

2829 I do not know what the volume of our business was last year. That is in another department. I cannot tell you approximately how much we earned last year. I am general counsel for the company and have nothing to do with its financial affairs. I did testify on direct ex-
2830 amination that our company made about 2½ cents on each dollar of sales. I do not know what our invested capital is or the percentage earned on invested capi-
2831 tal. I do not know the amount of our company's dollar earnings last year or the year before, or what it has averaged in the last ten years.

[fol. 1264] (96) J. Frank Grimes, President, Independent Grocers' Alliance of America, Chicago, Illinois; and a partner of William W. Thompson & Company, Chi-
2903 cago, Illinois, public accountants, testified:

2943 The full title of the I. G. A. is the Independent Grocers' Alliance Distributing Company. That is a corporation.

2903 The I. G. A. is an alliance of wholesale grocers and
2936 retail grocers working together for their mutual interest. We had been experimenting with various plans, and out of that experience the I. G. A. was
2937 created in 1926. We operate in 37 states. We have quite a number of stores throughout New England, Vermont, a part of Massachusetts, Connecticut, and New York, small sections of Pennsylvania, part of Maryland, and quite extensively in West Virginia; also Ohio. We are not on the Pacific Coast. Except for Florida we are not in states like North Carolina, South Carolina, and Georgia. We have quite a number in the Middle West; they are pretty well scattered. There is no limit to the number of retailers we take in any given city or town. We have somewhere around 150 retailers in the city of Topeka.

2903 The I. G. A. embraces 49 individual wholesale
2937 houses with their branches, making a total of 87 wholesale establishments. Forty-nine wholesale houses are our peak. We have been growing. The volume of the wholesale business in the I. G. A. is about $100,000,000 annually.

The volume of business of our retailers when we had slightly over 8,000 stores, was about $526,000,000.

2903 We had 9,828 retail stores enrolled, with some 500 or 600 in process, of which about 1,600 have been cancelled during the process, leaving approximately 9,000 that are now identified as I. G. A. stores. That means these 9,000 stores have all been remodeled, painted up, new signs over their store, and have all received the new advertising program.

[fol. 1265] We have field engineers in the field that re-
2903 model all these stores and get them in proper condition for I. G. A. plans. When a retailer joins the I. G. A. organization, we send over store engineers
2930 from headquarters completely to remodel his store, repaint it, fix up his widows, and make it a model
2945 store. The retailer pays only for the carpenter work and the paint. He pays nothing for the plan-
2930 ning; the engineering work, and the supervision. We get the store ready, conduct the opening, and intro-

duce the store to the public, and start the store off in the neighborhood as a modern store. After that, we conduct nine or ten sales a year through headquarters. We furnish the interior placards and window displays. In our window display department at headquarters, we make a photograph of a model window and send copies to all the stores, so they can follow the plan and put in modern windows. We furnish mats for local newspaper advertising. We use about 356 newspapers across the country every week. We furnish the retailer with a little four-page miniature newspaper with his own name and individual address, and telephone number on each copy, that is mailed out every two weeks. We do national advertising. We have been on the radio, and now we are in McCalls, and a series of those magazines. We keep feeding the retailer with everything that can possibly be thought of that will make his store modern and keep him abreast of the times. We furnish I. G. A. labels. It is a rather extensive service, very complete; and we believe it will be of great value to the independent merchants. Our service has made the retailer very much more efficient in his competition with others. To illustrate that: The average figures that were revealed by such sources as the Harvard Bureau of Business Research would indicate that the average retail grocery would cost between 18% and 19% to operate. We have, through this process of modernizing, got the percentage down to slightly under 11. The independent retailers generally—more particularly those who have introduced these modern methods—are becoming more effective
2933 in their competiton with retail chain stores. They [fol. 1266] are stopping handling such a great variety of brands, which lowered their overhead, and they can concentrate on merchandising. They are dis-
2932 playing their merchandise much more effectively. They are having a better volume with greater ease in handling.

2944 For revenues, in the first place, we maintain buying offices; and the total cost of operating those buying departments is prorated over the wholesalers, based upon their total volume of business. We get enough money in to operate and pay the cost of that buying department. The wholesaler pays for the service that the field men render when they install these stores and fix

them up. The retailer, when he joins, pays for all the service that I have described, $3.50 a week to the wholesaler. That amounts to $182 a year. Each wholesaler pays to headquarters $10 a year for each retail member; that is our office revenue. Out of the remainder of the $182 a year that the wholesaler obtains from each retailer, $108 goes to the advertising; that takes care of $118. That leaves $64.00 per retailer, which the wholesaler must use for newspaper advertising. The benefit the wholesaler gets is having fairly sure purchases from the I. G. A. members in his territory.

2904 We have 2,000 or 2,500 stores that do not receive the entire complete advertising. These people, for some reason or other, did not pay their bills, and their advertising, which includes posters, window displays, newspaper advertising, etc., has been cancelled for that reason.

2905 In addition to advertising material furnished to local stores, we do national advertising, which is paid for by the headquarters organization.

I spent 11 years in the wholesale grocery business, from 1889 to 1902 with Corbin, May & Company, of Chicago; and from 1906 to 1913, with Tolerton & Warfield
2928 Company, of Sioux City, Iowa. From the time I left the wholesale grocery business in 1913, I engaged in the work of installing systems in wholesale [fol. 1267] houses, and cost accounting systems in food producing plants. In 1917 I became a partner of William A. Thompson and Company. We put these systems and budget systems in all over the country, in many houses. We operated in the food industry very extensively—in some of the bigger houses from one end of the country to the other. Then about four and one-half years ago, we inaugurated the I. G. A. We found in our business that sales were dropping off in these wholesale houses. We tried to overcome this declining sales volume by reason of lowering costs.

By going carefully into the elimination of waste and a careful coordination of orders and shipping, and those things, we have stopped the advancing cost, and in the I. G. A. we are reducing costs materially.

2905 In addition to furnishing advertising to its member stores, the I. G. A. has buying offices for the pur-

pose of doing collective buying. We do collective buying for our wholesale houses.

Between 50% and 60% of our member stores are combination stores, selling meats as well as groceries. A good percentage also are general stores that handle dry goods and general lines, sort of small department stores. Our stores are mostly found outside of the big cities—not so much in the big cities as in the rural sections and smaller cities. We have some stores that will do $250,000 a year business. There are very few of those.

2906 In buying collectively for our retail stores, we buy dry groceries, i. e., canned goods, coffees, teas, etc. We buy canned meats and occasionally some smoked meats, such as ham and bacon. We do no collective buying of fresh meats at all. We do not buy all the requirements of our member stores in the canned and smoked meat line. That line is probably not a quarter of one per cent of the volume of the whole meat line. It is very small.

2945 In our central buying, we handle some cheese. We do not handle any butter or poultry, or things like that, through headquarters.

[fol. 1268] To do collective buying, we have a headquarters buying office in Chicago; another in New York, New 2907 Orleans, San Francisco, and in the pea fields of Wisconsin. We make arrangements in these offices. Manufacturers come in with their propositions, and we get the arrangements and then report them out to the wholesalers. From then on, the orders are placed partly direct and partly through our office; but they are shipped and billed from the manufacturer directly to the wholesaler. We do not handle any of the billing at all.

2929-30 All the retailers associated with our group are independently owned; the same is true of the wholesale houses. The headquarters of the I. G. A. owns no stock in any of the wholesale houses or any retailer, and vice versa. There is no financial connection in any way.

Our members are under no obligation to buy col- 2908 lectively through our organization. As our plan functions, the wholesalers do the buying at headquarters. We meet in Chicago about every six weeks and bring up the matter of buying. The retailer, in turn, is under a contract with the wholesaler to buy a minimum of $500 per month in all the lines of groceries that the whole-

saler handles. Our collective buying operation does not go farther than that. It is merely a recommendation of buying sources. Sometimes the wholesalers may send into us to buy carloads of this or that, and we will scour the market to find prices and locate the sources of supply, and then relay that information back to them after we have made the arrangements, and they place their orders direct.

2911 Thus the cooperation is entirely voluntary between the wholesaler and headquarters and is also voluntary between the retailer and wholesaler beyond the $500 a month requirement.

We have many cases where we will make an arrangement with the manufacturer for supplies, and the wholesaler will [fol. 1269] tell us, "I can buy cheaper," and he has that privilege; he is not obligated at all.

2909 Our headquarters buying offices buy somewhere between 35% and 40% of the total purchases of groceries of the wholesalers, though we do not buy anything direct for the retailers through headquarters. That is all done through the wholesale houses.

Approximately 25% of the total business of our retailers collectively is bought from the respective wholesale houses to which they are attached.

The dry grocery part of a retail store, depending on whether it is a general store or handles meats or not, will range from 25% to a third of its volume. The rest is in meats, bread, and those allied lines; and fruits and vegetables, and many of the general lines, such as dry goods, which quite a number of them carry.

2910 Of a complete food store handling meats, fruits, vegetables, and groceries, the meat business will constitute about 25% to 30% of the total volume.

We make no attempt to buy fresh meats centrally; we do not touch that in any way at all. The requirements of the people and the demands of the people in various sections of the country are different, and we have found out that it is practically impossible for us to do any centralized buying in any one spot, because of these varying conditions across the country. In the South they will use a different type of meat than in the East, and there are a variety of conditions which have made it practically impossible for us to buy centrally.

2911 The perishability of the product and the importance of quick turnover and quick buying is another important factor. Because of the perishability, it would be al-
[fol. 1270] most impossible to buy centrally, and then ship it out all over the country. The stores buy from day to day, and it would be almost impossible to do that from a headquarters organization.

2941 It is true that so far as collective buying is concerned, the purpose of the I. G. A. is to give the independent retailer whatever advantage mass buying brings. As we have stated elsewhere, "The I. G. A. draws the wholesaler and retailer together to produce a buying power that will get the same advantage, if there is any, in buying, that any single large group will get." The plan is to bring to the merchants the power that is possessed by large corporate retail organizations, such as a regular chain store corporation. We are trying to bring to the heretofore unorganized wholesalers and retailers the efficiency and economies and the power that organization on a mass scale gives.

2932 But the power the voluntary chains have is not as effective as that of the centrally owned chains. That is probably the biggest problem in the voluntary chain—to secure the cooperation in buying of the retail and wholesale members. It is quite difficult to get them to do the things that they ought to do. That is probably the biggest problem that we have at this time. The retailer is influenced by a great many salesmen who call on him, and he will buy a lot here and a lot there. Even the wholesaler to-day is called upon by representatives of manufacturers, and it is very difficult to get him to concentrate his buying.

2942 Outside of the centralized buying, our wholesalers designate to the retailers in their respective trade areas the sources from which to obtain such articles as are not bought centrally. For example, packers are designated to buy meats from, in some cases. Because of the perish-
ability of the product, central buying is not as adaptable to
[fol. 1271] fresh meats; so that in some of the trade areas, the wholesaler designates to the I. G. A. retailers certain concerns having perishables. It might be vegetables; it might be meats. They might take bread baking. They will come to the wholesale house and say, "I would like to make bread for this group, because I do not have to go to

any selling expense, and they will take the bread regularly"; and the wholesaler will say, "All right; we will buy your bread." We may make an arrangement with a lot of wholesale fruit and vegetable houses to distribute fruit and vegetables to those retailers. It is quite a saving to the bread man or to the fresh fruit and vegetable man if, instead of having this selling expense of going around to 150 people in Topeka, he can have the designation of the wholesaler. The I. G. A. headquarters gets no advantage from such designation. The local I. G. A. wholesaler may derive an advantage in some cases where the people designated will contribute toward the local advertising. In some sections they are able to do that.

2912 Leaders and specials are selected in each wholesale area to fit in with that particular locality and season. That is all done locally. Some one person in the wholesale house gets this advertising. We use 12 items a week. He makes up the list, and that is sent into the advertising company that prepares the material. Thus the selection is made by the respective wholesalers for the retail stores.

2939-41 The local wholesaler fixes the prices that are used in the advertising. How prices are fixed depends largely on the conditions in the territory, and whether we make a buy or a favorable purchase that can be utilized, and the season of the year. In the Topeka area, for example, when Thursday advertising appears with Friday or Saturday prices, those prices are the prices at which those items should be sold by the 150 members in the I. G. A. area; but the retailers do not follow those prices; that is the only thing. They can do it if they want to, and do not [fol. 1272] have to if they do not want to. It is true that that advertising tells the public that if you go into any I. G. A. store in Topeka, that is the price that you are going to get on that particular item; and we always hope that most of the retailers will get that price; but some retailers will not. We have no agreement whatsoever on that subject. It is just a voluntary grouping together. The wholesaler will agree that this is an item which the retailer can sell in competition for nine cents and leave a profit to the wholesaler; so that, so far as the public is concerned, it is the advertised price; and so far as the retailer is concerned, it is the

price which the I. G. A. wholesaler in that territory suggests that that article be sold for.

2951-2 The prices that are fixed by the wholesaler are, in the majority of cases, regular shelf prices. In many cases, they are used to meet competition—for example, the chain store competition in their respective markets.

2912 Each wholesaler operates in a well defined area. He serves the I. G. A. stores in that area only. He may sell outside the area to any but I. G. A. stores, and he may sell to other than I. G. A. stores within the area. The retail member stores may buy of anyone else besides the wholesaler also.

2930 When a wholesaler joins the I. G. A., we describe his territory by counties within a certain radius; and we say that as far as the I. G. A. stores and brands are concerned, he cannot sell outside of that area; but on everything else that is not branded, he has the privilege of selling it. There are no restrictions whatever. He can go wherever he wants and sell it. We own only the I. G. A. brand and the I. G. A. idea.

2913 Leaders continue from two days to a week—occasionally two weeks, that would be the limit.

[fol. 1273] Leaders are chosen mostly from the non-perishable lines; and they are branded, as distinguished from non-branded, articles. Fresh meats are not

2914 used as leaders to a great extent. We find that the retail stores reflect very promptly the fluctuations in the wholesale or primary market.

There are other factors besides the wholesale prices that enter into the determination of the retail prices, from the wholesaler's standpoint. Prices are published, for instance, on sugar; and the retailer and the wholesaler are forced to come down to these published prices. Coffee has been declining for a year. We have had to meet every decline immediately when it goes into effect. In most cases, the price to the consumer is reduced before the stocks in the hands of the retailer and wholesaler at the higher prices are exhausted; and in the markets where prices are declining, wholesalers at inventory times take very heavy losses to mark their goods down to below-cost, for the reason that a competitor might be out of the goods at the high

price and be buying at the low price. He lowers his price and forces everybody else into that price. Variation in consumer demand or taste substantially affects the question. Such things as the reducing habit, or a vegetarian campaign, or "Eat more of this," or "Eat more of that," have a substantial effect on consumer demands from time to time. We have cases where they advertised oranges when everybody was told to eat oranges at breakfast. You immediately saw a falling off in the sale of prunes. That follows through in the sales of items that have special sales advantage.

2915 Just as soon as many of those items become well known and well advertised, the effect is to steadily lower the price that the retailer can get from the consumer. That also affects the wholesale price.

[fol. 1274] In the I. G. A., we take all of those items and largely use those specials, like a well known and highly advertised food product; and the wholesaler sells to the retailer at his actual cost plus not to exceed three percent down below his cost of doing business, because those are items that are used as leaders, and they have been used so long as leaders that their shelf price has been steadily reduced until the margin is very narrow.

2916 In summing up, the forces influencing prices travel both ways—from the production end down through the stream to the retail end; and to some extent from the retail end up toward the production end. When items are used in retail stores as leaders, it forces the price down; it reacts back to the wholesaler, and he is forced to sell to the retailer cheaper, in order that the retailer can get some profit out of the item. In some cases, this reaches back to the manufacturers. In many nationally well known items that we use as leaders, it does not seem to affect the manufacturers' prices very much; the narrowing is in the difference between the wholesaler and retailer.

When the market declines generally in the raw product, that follows down quite rapidly to the retail store with continuing intensity. It is one of the reasons why the retailer and the wholesaler have difficulties. They take those declines so rapidly, even though they own stocks at the higher prices.

2917-20 We have given a great deal of study and thought to the quick-freezing process. We believe

it is going to be the only method of distribution as fast as they perfect the methods of refrigeration. We believe it will displace entirely the old methods. Meat cutters will be done away with completely. For one thing, it is going to make practically every retail food shop handle a complete line of food products. We feel that quick-freezing is going to spread itself into the fruit and vegetable lines. Food [fol. 1275] products will largely be packaged, even down to meats. Meats and vegetables will be branded, and stores will do away with butchers and meat cutters.

We think this meat development is going to be more rapid in the near future, and we are holding off any arrangement on meat, even down to the equipment of stores with refrigeration, because a new process will probably displace all of the refrigeration that the houses have. We are holding off and advising our stores or cooperating with them in putting in new meat departments with new refrigeration equipment, because of this new development.

2949 When quick freezing is developed, the central buying function can then operate with respect to vegetables, fruits, fish, and meats.

2918 We do not know to what extent this new refrig-
2949-51 eration equipment is covered by patent rights. We know of the Birdseye Quick-Freezing Process, and that that process is now controlled by General Foods. We have also seen some of Swift & Company's process. We know that they have been making experiments, and they have done a good deal of work along that line. We have seen no one else's. We understand the process is patentable. We understand the Birdseye method is a patentable process. While we buy from General Foods, we have done no business with them yet in the quick-frozen food line. We have no plans and have not studied it enough as yet to know what to do.

2918 Most of the new quick-freezing equipment is in the experimental stage, at the present time. Assuming that the quick-freezing process is developed satisfactorily and capable of successful operation, if those patented processes were controlled by a few, with the frozen meat process of such gigantic proportions, it would place the meat business completely in the control of those who [fol. 1276] own those patents. Because of the certainty of the development and what it is going to mean, it would

force every retail store to put in this process, and if it was controlled, it would give control of this whole situation that would be tremendously far reaching in this country. We believe that it would entirely take away the freedom of action of independent merchants. Those who control the patents would have absolute control of the distribution of meats. It would be impossible to compete with that process, under the old methods. The meat product put out under the new method is, in our opinion, going to be as good as, or superior to, the meat product now put out under the old method. The big factor in it is the doing away with the buying of carcasses and cutting them up—the elimination of the meat cutter and the great probability of being able to sell those meats in little packages branded just like one would sell a can of corn.

Control of quick-freezing patents would not seriously affect stores dealing in combination food lines, i. e., in lines that are not appropriate to the use of this process, like dry groceries, provided the source of supply of the other products, fruits, vegetables, and dry groceries, were free and open. If the food manufacturers got control of this process, besides manufacturing goods under the process, and also manufactured or distributed other food lines, and either sold those lines through their own retail stores or offered them to other retail stores, or both, the effect of their engaging in both the frozen and non-frozen lines would place the retailing of food products in this country absolutely in the hands of those who control those patents. It is not inconceivable to believe that if these processes of handling meat were controlled by the same parties who handled groceries, they may say to the retailer: "If you do not handle our groceries, you cannot handle our meat products; if you do not handle these lines, you cannot be an agent for our frozen meat process." It constitutes in our minds—and in our headquarters, we have talked this over for months—one of the greatest dangers in the dis- [fol. 1277] tribution of meats by these independent retailers in this country, who make up the biggest number and the biggest volume, and have invested the greatest amount of capital.

It would not even be necessary to make an actual threat of withdrawal of supplies. The distributing grocers would know very will that they would have to patronize these

houses for their grocery lines and other lines in order to keep in good favor in the meat department.

2921 We have for years been specializing in our auditing and accounting business in the wholesale grocery and food industry, and we have made up many of the statistical figures for the grocery business at large, statements have been published and statistical information furnished on the business. There are at present in the country approximately 6,000 wholesale grocery houses. From our knowledge the average sales per wholesale grocery house would run about $800,000 a year and the investment in the houses will average somewhere between 25 and 30% of their sales. We estimate that in the 6,000 wholesale houses there is an invested capital, meaning capital and surplus, of somewhere between one billion two hundred fifty million dollars and one billion five hundred million dollars. There are at present 375,000 or 380,000

2946 independent retail grocers in this country, including members of voluntary chains, but excluding independent retail meat dealers and regular chain stores. Probably a little less than 50% or 60% of those independent grocers handle meats. That is the percentage of our group that handles meats. But the combination store percentage is a little higher probably than we would find it on the average. But the tendency is toward the combination store.

2921 The average retail store will have invested a net worth of somewhere around $4,000. It might be a little higher than that. We figure about $1,500,000,000 invested in the independent retail grocery stores.

2922 Our investigation showed that in the wholesale grocery business, the number of people employed ranged somewhere between 30 and 35 per million of sales, depending on country or metropolitan house. That means that the average wholesale grocery business employs 20 to [fol. 1278] 25 people, and that 125,000 to 150,000 people work in the wholesale grocery business. That includes everybody engaged in the business.

2923 We find that an average of a fraction over four people are employed in a retail grocery store. There are about 1,500,000 people employed in the independent retail grocery stores. Our figures do not include exclusively meat markets.

Freight cost is in some cases quite a factor entering into the retail grocer's operations. Where there are long pulls, it brings about a higher cost. A wholesale house will deliver free of charge within a radius varying from five to 30 miles. When it gets into the country 60, 70, or 200 miles, the freight is paid by the retailer, and that adds to the cost. A radius of 40 miles, I believe, is the extreme limit over which the ordinary wholesale house can make shipments to retail customers profitably. I am referring to truck deliveries. In the case of rail deliveries, it all depends on how near the competition point is to the retail point at which it is being delivered. For instance, the I. G. A. has a distributing point at Topeka. We have retail grocers 250 to 300 miles away. The stuff is all shipped out of Topeka by rail, which is quite an item. Coming back east, where we run in to Kansas City and other points, we stopped shipping there because of that freight situation.

2924 I am not competent to testify about rates generally, but I know that in the Topeka case the rate from Topeka to points in western Kansas is an average of about a dollar per hundred pounds. Canned tomatoes No. 2 will weigh about 42 pounds per case. That would be forty-two cents a case freight, or twenty-one cents a dozen. What those tomatoes would sell for to the retailer would depend on the market, where they came from, the kind of tomatoes, etc.—probably from $1.00 to $1.15 per dozen, or about $2.30 a case, the freight cost on which would be 42 cents.

[fol. 1279] Our wholesale houses sell to their retail customers mostly in less than carload quantities.

2925-26 Very few retailers can afford to buy a carload. We have a number of retailers who would buy a carload of flour and similar bulky goods. A number of retailers in a district may combine to purchase a car, in order to save that freight. The amount of carlot shipments in our organization, however, is infinitesimal.

2926-27 If we should find a manufacturer of another food line going into the business of handling these wholesale groceries under conditions where it would be possible for him to ship a substantial quantity of his goods without paying freight in addition to that which he was compelled to pay on his other business, i. e., the same type of goods that we have to ship on our L. C. L. business, that

would place us at a most distinct disadvantage. If any competing organization had advantages that would give it lower total costs to get the goods from the manufacturer to the wholesale houses and from there out, it would be disastrous. The margin is so narrow as it is now that any little advantage is a big thing. For instance, in the case that I gave where the freight would cost 42 cents on a sales value of $2.00 to $2.30, if a competitor could ship, say 2,000 pounds of that sort of goods alongside of commodities which he handled in the preexisting business in another line, without sustaining any increased freight charge by reason thereof, it would be very bad, if it did it for them and not for us. It would be impossible for the Topeka house to ship those kinds of goods out to the retailers. The advantage would be too great on the other side.

2928 The total cost of operation for the wholesale grocery in the larger cities like Chicago or New York ranges from 11% to 14% of total sales, varying among different houses, different areas, and different conditions. If they have to deliver through traffic that is congested, it makes that cost higher; and if they extend beyond a certain radius, it will be higher. Costs are lower in agricultural [fol. 1280] or rural sections, where they range from six and one-half percent to eleven percent, averaging about nine percent.

2934 I am firmly of the opinion that if the packers engaged in the handling of grocery lines such as we are discussing, the effect would be to shift the business from the independents, so-called, over to the packers; that the business that they secured must necessarily be taken away from some other source, and would tend to raise costs generally over the country; and it is not inconceivable that if the packers engaged in the grocery business and in the retail business, many of the independent merchants who handle meats might become frightened and seek to buy meats from the packers, which would immediately raise their costs considerably. The entry into the grocery field of a new chain line, a wholesale line, a retail line, would have a tendency to raise the cost all over this country. Intensive selling does not increase the consumption of foods. The actual consumption of food per capita is lower. People eat less. The consumption of food has not risen proportionately with the increase in population. All,

particularly, the ladies, are trying to remain slender, and that is having an effect on the consumption of food. Concentrated selling and advertising of one food item would merely have the effect of displacing the sales of others. If I eat oranges for breakfast, I cannot eat grapefruit or prunes.

2935 So far as the effect of the slimness of the pocket book is concerned, it is a strange thing that when people are out of work, they seem to eat more. They stop doing everything else and concentrate on foods. We find the sales of candy, cigarettes, and tobacco rising.

2952 [fol. 1281] (97) CARL BRUNER, General Manager of Leonard Brothers, Fort Worth, Texas, testified:

2955 I have been general manager of Leonard Brothers since January, 1928. I was in the wholesale business from 1922 to 1928 as credit manager of a wholesale grocery house at Fort Worth. I went from those people to Leonard Brothers.

2953 Leonard Brothers is a retail department store. We also operate the Fort Worth Wholesale Grocery and the Fort Worth Wholesale Produce Company. The retail store sells both meats and groceries. Our retail volume is now going at the rate of $4,000,000 a year. Our wholesale volume will be around $1,600,000 this year. We started as a retail house. Our wholesale customers are in the same territory where we do our retail business. Our retail business was started in 1918; and our wholesale business, about March, 1926. The wholesale business is ancillary to the retail business. Our wholesale business is largely restricted to a radius of 75 miles from Fort Worth. We operate a cash and carry wholesale grocery. We do drop shipments from the manufacturer, sometimes as far as 150 miles; that is, we have the merchandise drop-shipped direct from the manufacturer to the retailer. The invoice comes through us, and we bill the merchandise. That is a very small

2956 item in our business.

2953 We ourselves do not deliver at all. The customers call in their own trucks.

2955 Our retail store handles a large line of other articles besides groceries and meats. Our meat, gro-

cery, and produce business will run around $1,800,000 annually, retail. By "produce," I mean poultry, eggs, butter, and cheese. They are a very small factor in our total volume—probably $40,000 or $50,000 a year. Of our $1,800,000 meat and grocery volume, approximately $500,000 consists of meat lines—a little less than one-third.

[fol. 1282] Most of our meat is bought right in Fort Worth from Armour, Swift, Fort Worth Packing Company (a Swift subsidiary), and there are some small packers
2956 there from whom we buy special items. We buy some merchandise out of Dallas.

2957 In our grocery lines we purchase from General Foods, Standard Brands, and other such large food manufacturing and distributing concerns. Our purchases from General Foods, I believe, are now being billed directly from them. If we took the portion of our grocery business for which General Foods competes, i. e., the collection of those items of food in which General Foods has competing articles to sell, that portion of our business would be slightly smaller, I expect than our meat business. Our purchases from General Foods are larger than from any other of the food integrators.

2958 We use leaders to some extent, but not on a big scale. We are using about eight leaders now. We run leaders for a long time. We follow the policy of putting the price down and keeping it down. We do not, as a rule, jump on commodity with a real low price, and then jump off it in the next couple of days. By "real low price," I mean right around our cost. We like to get out with enough margin to handle the product, but we do not always do that. The object of these leaders is to attract the crowds to our store. What we lose on leaders we have to make up on our other business. We use leaders quite often in the meat line, but not as often as in groceries. I cannot offer a real reason for differentiating between meat and grocery lines, but we have formed the habit of merchandising this way, I presume.

2960 A big store in our section of the country can use these leaders more effectively than can a small store. It is a peculiar twist of crowd psychology. They seem to have more confidence in the advertising of a big store than of a small one, unless the small operator is clever enough to pick items like Imperial Sugar, or some brand of sugar

where there cannot be any chance that he is running an inferior article.

[fol. 1283] If a grocery and meat organization could afford to reduce the price of the whole grocery line in order to attract the public to buy the meat line, or the

2961 other way around, I would say that it would be decidedly advantageous to them. I mean if they were in a position to make money out of their meat lines and could afford to carry their grocery lines for merely the cost of carrying those lines, that would be a decided advantage to them. The size and operations might have some effect upon their cost; and if the marketing concern was doing such a business in a great many localities in the different parts of the country, and a great volume of business in the aggregate, I think it would make it more possible for them to carry on such a business, for the reason that their size would carry a certain prestige with the buying public, and they could make up losses on other lines, etc.

2962 As I have said, we buy our meats from local packing houses. Our groceries come to our retail stocks from our own wholesale house. Our wholesale house buys them mostly in carload shipments.

2963 I judge about 70% of our meats comes from Armour, Swift, and the Swift subsidiary, Fort Worth Packing Company. We are dependent on the large packers for supplies of meats, especially of fresh meats in the quantities which we use. The small packers are not able to supply us in proper quantities. If the large packers' source of supply should be withdrawn from us, as, for instance, if they should decide to retail them through their own retail outlets, it would make it very hard for us. I would have to find some other way to fill the gap, and I do not know just how we would do it right now. Of course, I could buy from other concerns, but it is an impracticable thing to do.

2964 (98) J. W. Herscher, President of the Hubbard Grocery Company, a corporation engaged in the wholesale grocery business in Charleston, West Virginia, testified:

I have been in the wholesale grocery business for 34 [fol. 1284] years, and with the Hubbard Company since

October, 1922. Sales of the Hubbard Company amount to $2,500,000 a year. The radius of our operations is 75 miles. We maintain a truck service only for city delivery. Otherwise, all our goods are sold f. o. b. our building, and either called for by truck and shipped by rail or public truck, in which event freight charges are added. We sell mighty little in carload lots.

2967 A hundred cases of No. 2 Standard tomatoes would sell for $180. If we had to ship that to a customer 50 miles away, I think the average public freight on that class of merchandise is about 35 cents a hundred pounds. A case of No. 2 tomatoes weighs 36 pounds gross. One hundred cases would be 3,600 pounds. At 35 cents per hundred, the freight on 100 cases would be $12.60. With the cost of the tomatoes being $180, there would be a ratio of exactly seven percent to the value of the goods.

2970 On the L. C. L. freight shipments on which freight charges have to be paid, if a competitor could make such shipments without any corresponding charge, it would affect our business very materially. I would not have any chance to make the sale at any price, unless I were willing to absorb the cost of transportation. If a competitor could eliminate the cost of transportation, it would be enough to wipe out the margin of profit in at least a considerable number of cases. The functions performed by our house as a wholesale grocery may be explained as follows: First, in order to establish ourselves in business, we need capital, and a sufficient line of credit with our banking channels. We need a building of adequate size and location for the proper storage of the general line of commodities in which we deal, which in our line is approximately 3,000 different items. We must have some idea as to what the local trade needs. Some items—the imported items—come from all [fol. 1285] parts of the world, and are bought through New York. We must buy in carload quantities in order to obtain the merchandise at a decent figure and to get the benefit of the best freight rates. We have to buy goods that are needed from season to season, and pass them out in such quantities as they are needed to the retail grocers, hotels, and restaurants.

We must send salesmen out to interview the trade and offer them seasonal merchandise. We extend a reasonable and even an unreasonable line of credit, and in every way

act as a banker to the retail grocery trade. Frequently, we function as a banker to our sources of supply in our contracts with canners and others in the spring of the year, for our fall requirements. If we over-buy, we sustain the loss.

2973 We have approximately 1,500 customers. In a year's time, we buy continuously from possibly 500 first hand suppliers, manufacturers, canners, and such.

Our gross profit is about ten percent. Our net profit last year was 1.58% on sales. That is also a fair average for the last five years.

Reductions in price by suppliers are reflected almost instantly in the wholesale prices to our customers. With manufacturers announcing their prices to the consuming public over the radio, it is almost necessary the next morning to find bottom. Our competitors and other wholesalers, I think, do the same thing.

2974 Competition in our market is quite keen. There are two other wholesale grocery houses and two or three wholesale vegetable and fruit houses in our territory. Armour and Swift compete in our territory.

[fol. 1286] (99) V. P. WILKINSON, Associated with Wilkinson-Gaddis & Company, a corporation engaged in the wholesale grocery business in Newark, New Jersey-

2974 testified:

I have been in the wholesale grocery business since 1901. The Wilkinson-Gaddis Company was incorporated in 1886. It first went into the retail business in 1917, when it organized as a subsidiary the Mutual Grocery Company, a corporation doing a retail chain store grocery business.

The Mutual Company now has 300 stores, of which

2986 one-third sell both meats and groceries. In the hundred stores which sell meats, the approximate proportion which the meat sales in those stores bears to the total sales is pretty close to 40%, which sounds pretty high. The reason is that the American Food Company, a chain which we purchased, was particularly strong in meats and groceries. They were primarily a meat house; so that our volume of meats would be above the average.

2984 We acquired the American Food Stores about a year and a half ago. My recollection is that in 1921, we had about a hundred retail stores. I do not think we had any meat markets in our stores at that time. We did not have any meat department until we purchased the American Food Company.

2977 Prior to organizing our retail business, our wholesale volume in 1916 was from $6,000,000 to $8,000,000. Our retail business today is in the neighborhood of $15,000,000 a year.

2985 Since the time we entered into the retail business, our volume has gone up from $6,000,000 to $15,000,000 due to the expansion of chain stores. By keeping the Wilkinson-Gaddis Company a wholesale organization, we are able to buy directly for our chain stores from manufacturers, food integrators, and companies of that
2977 kind.

We have very little wholesale business left, other [fol. 1287] than the division which caters only to hotels, clubs, and restaurants. Our wholesale business now is done practically entirely with our own retail organization. Our entry into the retail business greatly decreased our wholesale business, due, I think, to the mental attitude of the independents toward a wholesaler who goes into the chain business. I have observed that it creates an antagonism. We took the strongest measures we thought possible to retail the old line independent trade. At
2979 the time of opening our retail stores we did not contemplate abandoning the old wholesale trade to other retailers.

2985 We entered into the retail business because we found that in our territory the so-called "old line independents" were decreasing in number; and at that time to some degree, and since then to a greater degree, the old line retail trade did not then exist for us. Studying the conditions as they were changing, we adjusted our business to meet the new way of doing business.

2979 I am acquainted with the retail, as well as the wholesale, end of the grocery business, but not much acquainted with the meat line.

2980 If we bring goods from the Pacific Coast through the Panama Canal to New York by water, and from New York to Newark, freight on No. 10 goods figures 62

cents a dozen, approximately 62 cents a hundredweight. Averaging an illustrative commodity as around $6.00 a dozen, which is about the grade of peaches, one of the most important No. 10 goods, the freight represents practically ten per cent of the entire cost. The water rate is considerably cheaper than we could get by rail over land. The rail rate is about 92 cents to 95 cents per hundredweight—about 50% more.

2981 About 70% or 75% of our groceries are shipped by rail from the source of manufacture to us. Prac- [fol. 1288] tically all our canned peas, which are a very heavy commodity come from Wisconsin, about 1,000 miles, at an average freight rate of 65 cents per hundredweight. Taking an average item, such as an extra standard pea, a hundredweight would be worth, when it reaches us, about $6.00 in purchase value; so that here again the freight ratio would run around ten per cent. If a competitor of ours were able to add shipments of the same sort to a pre-existing business without a corresponding increase in freight rate, I think it is quite obvious that it would put us out of the business on that particular item, because the freight amounts to more than the average net profits.

2982 If, on a substantial portion of goods shipped in competition with us, our competitor could ship such goods without a corresponding addition to his freight charges, it would be very, very much of a handicap to us.

2983 If our competitor's freight burden on the line of goods which he shipped in competition with our grocery lines should be cut 20% to 25%, that would seriously affect our ability to compete in those lines, but I do not think it would run to any such figure or anywhere near 25%.

3005 (100) S. M. Flickinger, Associated with the S. M. Flickinger Company, a corporation engaged in the wholesale and retail grocery business, in Buffalo, New York, testified:

I have been in the wholesale business since 1902. We entered the retail business in 1917 during the war. The approximate size of our wholesale business just prior to entering the retail business was between $4,000,000 and

$5,000,000 a year. Our wholesale business today, exclusive of sales through our own retail outlets, is about $5,000,000 or $6,000,000 a year. The increase is due to the fact that [fol. 1289] we had three jobbing units at the time we entered the chain store business, and now we have seven in different cities. They are located at Rochester, Syracuse, Elmira, Jamestown, N. Y., Erie, Pa., and Columbus, Ohio.

3008 We have about 380 retail stores located in western New York, western Pennsylvania, and a very few in Ohio. We have retail stores located in the same localities where we have our jobbing units. The volume of our retail store business is about $10,000,000 a year, I should say.

We were persuaded to go into the retail business, because the retailer was being driven from the field by the chain store. We felt that if we were going to continue our wholesale business, we would have to start our own chain stores in order to supply these wholesale houses with business. Our wholesale business with other retailers was not seriously affected when we went into the retail business. We did not lose many customers. Our loss of retail business of the independent stores was simply from their quitting the field, largely. We lost a few customers because we entered into competition with them.

3009 I am President of the Red and White Corporation, a voluntary chain organization. About 30 wholesalers with probably 60 or 70 branch houses are affiliated with me in that organization. I should judge there are 8,000 or 10,000 retailers, including stores in Canada, in the Red and White Corporation. Five or six thousand are located in the United States. The Red and White Corporation went into the organizing of retail outlets about 1921 or 1922. It operates altogether differently than do the I. G. A. stores.

3010-11 Red and White specializes in its own brands. The Red and White Corporation is a brokerage house. It is a corporation and owns the trade marks. Each affiliated wholesaler owns a certain amount of stock, thus furnishing enough capital to carry the labels and run the office. Headquarters arranges with different packers for [fol. 1290] packing the merchandise under these trade marks and quotes the merchandise to the wholesaler, who is at liberty to buy as much or as little as he cares to.

Then there is a contractual arrangement between the wholesaler and retailer whereby he is licensed to use these trade marks in his trade. He is given a sign carrying the Red and White trade mark. Wholesalers' representatives call on him and advise him as to how to take care of his store. They help him to arrange his store and set it up according to general store standards. Stores are painted red and white.

In most of the jobbing units, they have a little, inner organization, an executive committee, which looks after advertising and the buying of the merchandise other than what the jobber carries.

They do the group advertising for all the retailers in a certain city.

3012 We extend pretty well over the United States. We are on the Pacific Coast, in Seattle, Tacoma, and Portland. We operate in about 15 states, guessing roughly.

The brand that we use is characterized by the words "Red and White." That brand is used on a variety of articles.

The Red and White plan, briefly, is to coordinate, make more efficient the activities of the wholesale and retail members, and to help the retailers get those advantages which come from large buying power and group advertising. In other words, we are trying to do the job just as well as the chain store itself.

3013 No meat supplies except canned meats are purchased by concentrated buying through the Red and White Organization. I think it is pretty hard to do cooperative buying in products like fresh meats. There is one unit in Minneapolis that has tried it to some extent. I think they have some arrangement with Hormel Packing Company. They are the only ones that I know of that have [fol. 1291] tried it at all. What their results are I do not know.

Our member stores are under contract to purchase all their supplies from the jobber, in the jobber's line. That excludes meat lines. If they thought it was necessary to carry articles under a different trademark than that carried regularly by the jobber, they would probably hold a conference; and if they thought best, the jobber would stock those items under the other trademark. In fact, they carry most of the trademarks, anyway; so that it is not a

question of being confined to a jobber's own private trade-marks at all. The lines the jobber does not carry the retailer is free to purchase wherever he wishes. Such lines usually are fresh fruits and vegetables, butter, eggs, poultry, milk, cakes, and crackers, fresh meats, and perishable products generally.

In lieu of the further testimony of this witness, it was stipulated that any further testimony the witness would give would be similar in nature and substance to that of Mr. V. P. Wilkinson.

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(101) Roy L. Davidson, Vice-President of M. O'Connor & Company, a corporation engaged in the wholesale grocery business, in Indianapolis, Indiana, testified:

I have been in the wholesale grocery business 25 years, all that time with the same concern. We are more a specializing jobber; we are not carrying all lines. Our total sales are in the neighborhood of $2,000,000.

In lieu of the further testimony of this witness, it was stipulated that any further testimony the witness would give would be similar in nature and substance to that of Mr. J. W. Herscher.

[fol. 1292] (102) William J. Mandell, Vice-President and General Manager of Berdan & Company, a cor-
3019 poration engaged in the wholesale grocery, coffee roasting, and general merchandise business in Toledo, Ohio, testified:

We purchase our coffee from importers in New York. We roast the coffee and then handle it along with our other wholesale lines.

I was with the Berdan Company from 1902 to
3020 1904. From 1904 to 1907 I was in the tea and coffee business in New York. From 1907 to the present time I have been with the Berdan Company. The approximate annual volume of the Berdan Company is about $6,000,000, distributed within 100 miles of Toledo. About 60% of our business is done by truck, the remainder by rail. Ninety per cent of that done by rail is done in less than carload lots.

In lieu of the further testimony of this witness, it was stipulated that any further testimony the witness would give would be similar in nature and substance to that of Mr. J. W. Herscher.

3021 (103) H. A. RAMSDEL, Associated with the Ramsdel Company, a corporation operating a retail grocery store in Cleveland, Ohio, testified:

We operate a single retail grocery store handling no fresh meats, but smoked meats and delicatessen. Our annual business is approximately $235,000. We purchase our groceries principally from general grocery jobbers, and some from the large food integrators, such as General Foods, Standard Brands, and Beech Nut. We buy from them directly. Our purchases from General Foods usually come from General Foods' warehouse in Cleveland, where they have a concentration warehouse.

[fol. 1293] I think the combination meat and grocery stores have a great advantage over a store doing
3023 simply a grocery business. The only reason we handle no meats is that we are tied up with a lease which prohibits us from doing so.

In lieu of the further testimony of this witness, it was stipulated that any further testimony the witness would give would be similar in nature and substance to that of Mr. Bouterse and Mr. Carl Bruner.

3024 (104) J. T. GRIFFIN, President of the Griffin Grocery Company, Muskogee, Oklahoma; and President of Griffin, Goodner Grocery Company, Tulsa, Oklahoma, corporations engaged in the wholesale grocery business, testified:

We do exclusively a wholesale business. The
3026 Griffin Grocery Company operates 12 branch houses,
3025 and the Griffin, Goodner operates one house. The combined business of the two companies is about $7,500,000 a year. The Griffin Grocery Company manufactures peanut butter, preserves, jellies, and
3028 candies, and roasts coffee. Our manufacturing business is not over $600,000 or $700,000 a year, con-

stituting a very small portion of our total business.

3025 I have been in the grocery line for 22 years on my own account, and was employed five years before that.

3026 My products are distributed over eastern and northern Oklahoma, northwestern Arkansas, southwestern Missouri, and southeastern Kansas, and we ship a little coffee into Texas. About 95% of our groceries are delivered to our retailers in trucks from our distrib-

3027 uting houses, either our trucks, the other fellow's trucks, or public truck lines. Our truck deliveries have come on gradually with better roads. I would say that ten years ago there were very few truck deliveries.

[fol. 1294] We ship our manufactured products to greater distances. Those go by rail in LCL lots. Nearly all of our incoming shipments purchased

3026 by us move by rail. We are more of a private label house today than we were in 1920. For example in 1920 our business in canned milk was altogether in the nationally advertised brands.

3028-30 Now we sell considerable canned milk that we buy from independent manufacturers under our own brands. Our business on our own brands is somewhat bigger than it was in 1920. We get our private label milk about twenty cents cheaper than we get our Pet and Carnation milk, for example. I might add that we have difficulty in competing with Armour and Morris at points outside of our jobbing plants. That would be true also where our volume of the milk business is not sufficient to handle in carlots. We are obliged to use LCL shipments. For instance, Carnation and Pet milk costs about $3.75. Our own Polar Bear brand costs us about $3.53. We can sell that wherever we can ship in carload lots. But at points where we do not have distributing houses, we are at a distinct disadvantage as compared with the meat packers whose canned milk goes into that territory in refrigerator cars. They ship it in together with their meat, and they have a minimum, say, of 10,000 pounds. If they have only 7,000 pounds of meat, they can throw in the milk, I understand, and it costs them no freight on the milk. That is, the meat carries the load. So that at a point where we pay 35 cents a hundred freight or truck weight; some of that milk weighs about 56 pounds a case; so that the meat

packer would have an advantage of 20 cents a case over us. The meat packer undersells us, and has taken away our business entirely from us, because we could not meet the price and lose the 20 cents.

3028 In lieu of the further testimony of this witness, it was stipulated that any further testimony this witness would give would be similar in nature and substance to that of Mr. J. W. Herscher, on the wholesale grocery end, and similar to that of Mr. Moore on the manufacturing end.

[fol. 1295] (105) JAMES MOORE, President of the Snyder Packing Corporation, engaged in the canning of fresh fruits and vegetables, and the manufacture of to-
2986 mato condiments, with principal offices in Rochester, N. Y., testified:

I have been in the canning business since 1912, and with the Snyder Packing Corporation since 1919. The annual volume of business done by the Snyder Company is from $10,000,000 to $12,000,000. We have sales offices in various cities, but no branch houses. We rent warehouse space in various markets and carry goods there for delivery.

2988 I am fairly familiar with the canning process, particularly in the vegetable lines east of the Mississippi, and west as far as it covers Iowa and Minnesota. The bulk of the vegetable canning business is done in the United States east of the westerly line of Iowa and Minnesota, and north of a line running east and west along the southern boundary of Virginia. The potential production capacity of the vegetable and fruit canning industry to-day is in excess of its average production. The excess might be from 10% to 20%.

2989 We distribute our products in great part under our own labels. Approximately 60% of our total output is distributed through jobbers or wholesalers; about 25% is sold to chain stores; and 15% to a miscellaneous third class, composed of associated bodies of retailers, department stores, and those few independent retailers who are generally classed as direct buyers, because of their large volume. Of the 25% that is sold to chain stores, about one-fourth, or between five and eight percent, of our

grand total is sold to our largest single chain store customers.

2990 Our chain store business is a desirable line; particularly where the distribution is under our own brands, less desirable where the distribution is for the buyers' brands.

We do not consider the portion of the business that we are seling to chains, nor the portion that is sold to our largest chain buyer, in any way a menace to our business [fol. 1296] position. The tendency of the large buyers is to specialize in certain containers and in certain products that we pack. In packing, we have to handle the entire crop as it comes from the farm—for illustration, peas in the pod, varying in size, tenderness, and character; and the resulting products, varying in their appeal to different customers. The tendency of the mass buyer is to specialize in those packages, grades, and character of products that will give a quick turnover, and frequently he is not a buyer for those other products that are incident to our packing and which must be sold in order completely to handle another crop as it is delivered to us. That is the principal embarrassment that we have in dealing with the mass buyers.

2991 Approximately 95% or more of our packing is made from seasonable vegetables delivered to us but once a year. These crops are in principal part grown especially for us by farmers under contract. The crop must be purchased and acquired by us immediately after it is ready for canning. We aim to have vegetables in the can the same day that they are harvested by the farmer.

2992 I am very familiar with the farm operations. In general, there is a leeway of 48 hours for judgment on the part of the canner and farmer as to whether or not the crop is in prime condition to harvest for canning. My experience as a farm boy would hardly qualify me to testify whether the time within which vegetables must be marketed after maturity is narrower or broader than that in

2992 which livestock must be marketed; but I think it is common knowledge that a pea wilts more quickly than a cow, after it has left the farm. From 80% to 85% of our volume is shipped by us in carload lots, the balance being shipped LCL. We use truck service to a small extent—both our own and hired truck lines. Transportation

charges by truck are approximately the same, as LCL freight charges for corresponding distances. We only use trucks where we feel that there is an advantage to ourselves or our customer—for example, in expediting the service, store door delivery, etc.

[fol. 1297] As to that portion of our business which we ship LCL, if another manufacturer of food products could go into the canning business, either manufacturing
2993 or jobbing, and handle similar shipments LCL at a lower freight charge, it would handicap our efforts to sell to the exact extent of the favored position in respect to the freight burden.

2994 If this freight charge were substantial, even though it applies to only ten percent of our business, it would be sufficient to affect our business position. That ten percent is the top ten percent of our business that enables us to make a profit on our entire operations. It may be particularly true of our business, because of the seasonal production. Our heavy investment is in plant and equipment, and if our production falls down ten percent, it would be practically impossible for us to make any margin of profit. In other words, the elimination of our LCL business would be sufficient to affect our profit substantially, unless it could be offset by carload business, to give us a compensating volume. It would handicap us even more in our relation with customers who desire less than carload shipments to replace stocks. Many shippers buying straight carloads initially will be obliged later to buy smaller lots of goods to fill in.

2995 The principal problem created for the canner by the chain stores is the problem of turnover. Chain stores, as a rule, buy to take care of their immediate needs. Our product is made once a year, and we have only one turnover a year. The industry as a whole is not financed to carry these goods and distribute them in monthly periods, using a twelve-time turnover, as the minimum that is sought by the chain stores. When the chain stores or mass buyers purchase only against immediate requirements, the stocks are necessarily left on the canner's hands; and the canner, having to liquidate his stocks to pay his banks, is often forced to sell at a sacrifice. This causes him [fol. 1298] a loss, and weakens his position and his ability to continue his canning operations another year.

We have those wide variance swings in the production of canned goods. One year will be big, and usually in those years the intelligent mass buyers refrain from buying in quantity, buying as they need the goods, following the market. The market goes down rapidly, and the losses that result prevent canners from packing even up to normal requirements the next year. Then we see a pack that is under the consuming requirements, and advancing prices; and the performance is repeated again. In other words, it is to a certain degree intelligent mass buying as opposed to individual, uncontrolled, unorganized selling.

2996 If the large meat packing concerns should set up a system of combination retail stores, and if their grocery lines in the canned goods department are obtained from manufacturers such as we, I would expect that they would be influenced by about the same reasons that the mass buyers are influenced by to-day and that they would handle their purchases in something of the same manner. I would rather anticipate that they would buy in about the same way, looking for a rapid turnover of goods in the same way that the chain stores are buying to-day. That has been the invariable history of the chain store.

2997-98 It eliminates many special items that are wanted only by a few customers, and concentrates on the items that will give a rapid turnover, usually at a minimum price. Thus, the entry of packers into the retail grocery and meat lines would increase the existing chain store problem that we have to meet.

3000-01 As I have said, it has been my experience that the large buyers concentrate on lower cost items. That leaves us with the higher cost items for distribution through other channels. These higher cost items are

2998 what we would call our "quality goods."

If the packers should decide to manufacture their [fol. 1299] own canned goods, I would consider that much less of a problem to the manufacturer to-day than the problem of their merely buying en masse. It would be merely another production factor, with the resulting overproduction, which we find at all times. I can see no way in which they would have any advantage, in the production viewpoint, over the small canner, because in the nature of canning, the crops have to be grown in separate localities spread all over the country. The canning units are neces-

sarily small. The raw material, especially vegetables, cannot be transported long distances, and I can see but little, if any, advantage for the packers, regardless of their resources, if they attempt to pack in very large volume, as compared with the individual canner, who is packing only the individual volume that is consistent with his little territory surrounding the hamlet where his canning factory is situated.

3000 If the packer went into the retailing, as well as manufacture, of canned goods, I do not think the small canner would have very much to dread.

3001 There are approximately 2,500 to 2,700 fruit and vegetable canners in the United States operating probably from 3,500 to 4,000 separate canneries.

Some years back, our business was directly from canner to wholesaler. The wholesalers distributed to the retailers. With the evolution of the business, and the new methods of doing business, it has come to pass that now about 60% of our business is from canner to wholesaler; and about 25% of it to retail chains; and about 15% of it to other retail organizations that have sufficient volume to buy directly. The large buying power of the chain organizations, coming into the business picture in recent years, has enabled them to go directly to the manufacturer and get in their retail units what they call for.

[fol. 1300] In my business, I have not experienced any discrimination on the part of railroads as regards the service given to me and the service given to my competi-

3002 tors. I have no knowledge of the practice of charging one shipper LCL rates lower than another shipper for the same goods over the same territory.

3004 (106) BENNETT C. NOTT, Associated with W. R. Roach & Company, engaged in the canning of fresh fruits and vegetables in Grand Rapids, Michigan, testified:

W. R. Roach & Company does an annual business of approximately $4,250,000. It distributes its products throughout the United States. We handle fruits and vegetables that can be raised in the State of Michigan.

In lieu of the further testimony of this witness, it was stipulated that any further testimony the witness would

give would be similar in nature and substance to that of Mr. James Moore.

3017 (107) JOHN V. MCINNESS, Secretary and General Manager of the Haxton Canning Company, a corporation engaged in the canning business in Oakfield, New York, testified:

I have been in the canning business 30 years—nine years with the Haxton Company.

3018 The annual business of the Haxton Company is about $2,000,000. We specialize in canning vegetables. We can apple sauce. Our markets are confined practically to New York, Pennsylvania, Ohio, and the New England States. Ninety percent of our shipments are by [fol. 1301] rail—practically all in carlots.

In lieu of the further testimony of this witness, it was stipulated that any further testimony the witness would give would be similar in nature and substance to that of Mr. James Moore.

3275 (108) ROYAL F. CLARK, President and General Manager of the Central Wisconsin Canners, a corporation engaged in the canning business at Beaver Dam, Wisconsin; and Vice-President of the Minnesota Valley Canning Company, a corporation engaged in the canning business at Lesuer, Minnesota, testified:

The Minnesota Company has the larger business, but my larger interest is in the Wisconsin Company.

3284 The Central Wisconsin Canners has an output of approximately 800,000 cases of a value of $2,250,000. We have more peas and corn at this plant. The Minnesota Company has an output of approximately 1,750,000 cases with a value of approximately $4,000,000.

3276 We distribute nationally, selling to chains and wholesale grocers. I was President of the National Canners' Association in 1924, and have kept that contact through assignment to committees. The National Canners' Association is a voluntary organization with headquarters here in Washington, maintaining laboratories for scientific research, giving aid and assistance to the canners generally

throughout the country on scientific matters. On the basis of this assignment, I have had opportunity to study and observe the canning industry throughout the country. I have visited plants throughout the United States. The Association has 900 members, each a separate canning concern.

There are about 3500 canners in the United States, 80% to 85% of whom would be classified as small canners, pack-
[fol. 1302] ing from 100,000 cases down to 2,000 or 3,000 cases. These small canners are located in small
3278 towns, villages, and small cities—from 300 inhabitants up to 10,000.

3277 The output of canned peas is approximately 20,000,000 cases a year. The output of canned corn is between 16,000,000 and 18,000,000 cases. There are 24 cans to a case of what we call "No. 2 tins," one pound and four ounces. The annual output of canned tomatoes runs from 12,000,000 to 16,000,000 cases; string beans, around 8,000,000 cases. I have enumerated the principal items of vegetable canning.

Canned peas would probably have an average value of about $2.70 per case, making the total value of the output of canned peas per year approximately $54,000,000. Canned corn has an average value to the canner of approximately $2.20 a case. I do not know about canned tomatoes or string beans, but the value of each of them would probably run around $2.50 a case.

Petitioners' Exhibit 172 is the Census of Manufactures for 1927, published by the Department of Commerce, relating to canning and preserving. Pages 9, 15, 16 and 17 deal with statistics on production of vegetables under the various classes, with tonnage and value, etc.

3278 One-third of the entire output of the Central Wisconsin Canners goes to chain store customers. The Minnesota concern is developing an advertised brand; and their sales to chain stores are larger, but I haven't the figures.

3279 The Wisconsin concern sells approximately ten per cent of its total output to its largest single chain store customer.

3291 In dealing with chains, we sell direct, eliminating the wholesaler. That has been going on for 15 years.

3279 We obtain the vegetables that we pack within a radius of six or eight miles from each of our eight

[fol. 1303] plants, which cover a section of four counties right around Beaver Dam. We feel that if we are to produce quality, it is impracticable to go farther than that for our raw material. We feel that to produce the best quality of canned peas or canned corn, the product must be canned as quickly as possible after it is severed from the vine or stalk. Therefore, we narrow down the territory in which we operate.

3285 In order to assure good quality, in order to induce the farmers to be interested in quality, we purchase our seed at approximately six dollars a bushel, and sell it to the farmers at approximately three dollars a bushel, and take the loss at the outset.

3280 The production of all canned commodities since the war has been just a little ahead of consumption. Each year there has either been a carryover of the canned product, or else a restricted production the following year.

I have given considerable thought to the effect upon
3280 the canning industry of the entry into the retail meat and grocery business of such large meat packers as Swift and Armour.

3281 In the first place, mass buying thus far has tended toward featuring a price appeal. Mass buyers of canned goods thus far have purchased a second-grade article and featured it at a price. They advertised a commodity under their best label at a lower price than competitors; and in many instances—in the majority of instances, they substituted a second-grade quality under their best label. That injures the canner and the farmer greatly, because neither the farmer nor the canner makes any money out of the lower or second grade. He makes his money out of the higher grade. There are three grades: Fancy, extra standard, and standard. We pay three and one-half cents a pound for fancy peas; two and one-quarter cents for extra standard; and one and one-half cents for standard. We contract to take the whole crop, and therefore both the second and third grades are taken and canned, if suitable.

3297 The quality of the pea is governed by its age. If the farmer was unable to sell his peas within two or three hours after they were picked, they would cease to be of fancy quality and would be one of the inferior grades.

3282 Assuming that the packers follow the system of other mass buyers and large distributors of featuring [fol. 1304] price appeal and second quality, I am forced to the conclusion that it would greatly injure the canners. The meat packers, when they were buying before, handling canned goods in large quantities, prior to the entry of the consent decree, did that. I personally sold them at that time second-grade articles and they sent out their best labels to put on, and had them labelled at the plant and shipped. That is in connection with peas, I am not sure about corn. That creates more demand for the second or third-class article; but in my opinion through advertising and pushing by large operators, the consumer is deceived. The market for the higher-grade articles, when these articles are exploited in these ways, starts to fall.

3283 In order to make a profit, it is very necessary that the higher-grade articles be advantageously disposed of. In my own business, we do not keep the cost on the different articles; but we have an average cost. The lower or standard grade is sold below the average cost. The extra-standard or middle grade is sold very close to the average cost. Occasionally, there is a little profit there, but whatever profit the canner makes comes out of the higher grade.

3291 A. & P. and Kroger have been doing the most buying in the past five or ten years. So far as peas are concerned, I have been told by the A. & P. that over 50% of all the peas that A. & P. buys are the standard grade. Our output of the fancy grade is about 65%, the other 35% being divided between standard and extra-standard.

3292 A. & P. largely sells the peas that it buys from us under its own private brand. The A. & P. advertises the A. & P. label as its top label. They have not lately been putting the same label on the fancy grade of peas as on the standard.

3293 I am a lawyer and somewhat familiar with the [fol. 1305] Federal Pure Food Law. In speaking of mass buyers putting their best labels on second grade goods, I mean they usually put on the label, "Our finest quality," and the consumer thinks that is the finest quality. In calling it, "Our finest quality," I presume they are strictly in the law, regardless of what it is. Then they put

a price on the goods that will move them. The point is that a store that pushes standard grade or the extra standard grade makes it the leading class of peas that it sells; and it puts its pressure and its labels, and its prices behind that.

3284 I would say the smaller canners ship 90% or more in carloads. That is also our case.

3285 If the packers should go into the canning business, since the present production is slightly ahead of consumption, someone would have to give way, and presumably it would be the smaller and weaker canners. Those with advertised brands who have created a consumption demand for their product would not be hurt as much as those who sell entirely for buyer's label.

3294 I do not think that increasing the facilities for economical distribution of the products of the canneries would help to move the oversupply of canned goods in this country.

3286 If the packers can peas in our section of the country, they would have to can all three grades, and whether it be our company or Armour & Company that had a canning plant, they would have the problem of selling fancy, extra standard, and standard peas. But big production produces more of the lower grades than small production does, because a large concern is not able to give the canning the attention that a small concern can.

3288 We buy peas in the field, direct the delivery and tell the farmer when to cut, and he brings them in. Al- canners do that; and the farmer is interested in selling his fancy grade as much as he is the other grades; and if there were a canner who took only the lower grade, the [fol. 1306] farmer would favor his competitor who took all three grades.

Beaver Dam has a population of 10,000. We have
3285 three chain stores in Beaver Dam, and ten or 12 independent retailers. The three chain stores are
3289 owned—one by Kroger, one by National Tea, and one by A. & P. I think the first chain store came five or six years ago. The independents have been there a good many years. The chain stores are apparently progressing.

3285 The chains get all of their merchandise by trucks out of Milwaukee, a distance of 65 miles. Their

3289 trucking and overhead at a distance of 65 miles from their warehouse is, I think, somewhat of a handicap to them.

3285 The independent retailers get their products by local shipments.

3289 All of the 12 independent retailers were there when the chains came in. Things have been in a sort of static condition in Beaver Dam.

3285 If the meat packers went into the retailing business, and were able to come in there with carload lots, it is my opinion that the independent retailers would not be able to stand up under it. I think that would be a distinct disadvantage to any small town. In our town, the library, park, and the hotel all come from the business people. For the good of rural communities if they are to continue to exist, and I think they are necessary primarily because the local market is the best market that the farmer can have, it is my opinion that local merchants should be encouraged rather than discouraged.

3290 In our city, the items of rent for the chain store or the individual unit store, the electric light, gas, telephone, and all those items, are paid to a local city or state institution. Each chain store has a manager, who has a home, either rented or owned.

There are days on which the chain stores feature prices on certain commodities. That lasts a day, and then they [fol. 1307] go back. The independent merchants deal very little in leaders in our town. Except as to leaders, in my opinion, the chain stores do not sell to the consumer the necessaries of life at lower prices than the average single merchant does.

3271 (109) J. CHARLES LAUE, Managing Editor of Forbes Magazine, residing at 120 Fifth Avenue, New York City, testified:

Government Exhibit No. 100 is page 22 of Forbes Magazine for February 1, 1930; and contains an article entitled, "Meat in packages to replace butcher's cuts," by Louis F. Swift, President of Swift & Company. I am familiar with that article and the methods by which it came to be inserted in our magazine. To the best of my knowledge, that article was written by Mr. Swift. We had been very much inter-

ested in the development of the packing industry, and wrote to the company, asking for an article on the more recent developments. The article in question here was sent to us. We also had a number of letters relating to illustrations. When they were received, the article was published. The letters were signed "Louis F. Swift," with the initials underneath. The letterheads were labelled "Swift & Company, Union Stockyards, Chicago, Louis F. Swift, President."

STIPULATION RE EXHIBITS

2529, 3297 By stipulation of counsel, Government Exhibit 101, being a file of Swift & Company yearbooks, 1921 to 1930, inclusive, was admitted in evidence for the purpose of reference by any of the parties to any material therein contained which they may deem relevant.

[fol. 1308] Government Exhibit 94 consists of a number of letters the identity and authenticity of which (2832-54) were established by stipulation of counsel. The (2854-63) terms of the stipulation are contained in the (3037-45) following statements of counsel:

3037 Mr. Teegarden: These letters consist of two classes; first, letters between railroad representatives and certain officials of Armour & Company and Swift & Company; and certain other letters which are between officers or employees of the railroads themselves.

As to the letters between officers of the railroads, sometimes they make reference to conversations with Mr. O'Hara, Traffic Manager of Swift and Co., and Mr. Mayfield, also of Swift & Company, and in one case Mr. Ellis of Armour & Company; and my understanding is that in those cases we will stipulate that the writers of those letters, if called, would testify to the same substance and effect as those letters, saving to Mr. Hogan any objections as to the materiality and competency of that evidence.

In offering these letters I wish to state the purpose for which they are offered. They relate to what is known as the reciprocal buying and shipping arrangement between industrial concerns and the railroads, an arrangement whereby, in effect, the industrial concern says, if you will

buy certain products in which we are interested, we will make more shipments over your line; or the obverse would be if you do not buy we may re-route our shipping otherwise; or the invitation may come from the opposite direction, from the railroads, to the effect that if you do [fol. 1309] make more shipments over our lines, then we will patronize these goods in which you are interested.

These letters, we believe, indicate that Swift & Company and Armour & Company use the railroad patronage which they control to promote and induce the use by the railroads of railroad equipment manufactured and sold by certain corporations in whose stock they are interested. These two corporations are, as has been referred to previously in the testimony, the Mechanical Manufacturing Company, whose stock, until its dissolution, was owned by individual members of the Swift family and some of the employees of Swift & Company; and the Waugh Equipment Company, stock in which is owned by certain employees or officers of Armour & Company.

The purpose for which we are offering this is to show the readiness of these corporations to use their business position and control their business to induce the sale of products in which they are interested. In showing this we concede that this reciprocal shipping and buying arrangement is not peculiar to Armour and Swift; that it is frequently resorted to by other industrial concerns, and sometimes to a degree equal to or perhaps greater than any that we have found on the part of Armour and Swift in this case.

We are not prepared to state at this time that this reciprocal buying and shipping arrangement is in itself and standing alone illegal, but we believe it is relevant to the question of what use will be made of the power of these two petitioning defendants in case they enjoy the business position which might result after a modification of the Consent Decree. In other words, the trend toward monopoly or danger of monopoly is a result that may come from size plus a number of attendant circumstances and conditions showing how the corporation or concern is willing to use its size and power; and we believe these cir- [fol. 1310] cumstances are simply illustrative of that question; and it is for that purpose that they are offered in evidence.

The letters between the railroads and representatives of Swift & Company are offered as evidence of the operations of Swift & Company; and the ones between employees and officers of the railroads are offered as evidence of certain effects of the operations of Swift & Company upon the railroads.

The principle upon which we offer these letters within the railroad as evidence in this case is that in this matter there are two questions; first, what influence did an industrial concern offer, or what inducement did it make; and secondly, what effect did that have on the person or concern to whom it was offered? Now, these letters were written in the course of that effect taking place. They are a part of the effect itself, and, consequently, in so far as they occupy that status, we think they are admissible as a part of the res gestæ.

3040 Mr. Hogan: In order that the Court may have a complete picture of the situation, I might add a word as to how these questions arose, and make a brief statement with regard to stipulating all these facts.

There has been some question regarding reciprocity between railroads in buying from manufacturing concerns who are shippers. There cannot be any such thing as manufacturing on any such scale in this country which does not bring with it the incident of shipping; it is hard to imagine the manufacturing of any article that does not go to the railroads. So there has grown up a policy of a partner shipper who deals in a commodity with railroads to favor with his traffic, when there are competing railroads to choose among or between, the railroads who favor the [fol. 1311] shipper with their orders; and, on the other hand, the policy of the traffic departments of the railroads to favor, quality, price and service being equal, with their orders for commodities needed by the railroads, those manufacturing concerns or dealers in commodities who are given a fair share of shipments by the railroads.

There are certain proceedings known to all of us regarding that question of reciprocity between shipper and carrier. The first proceeding is a case before the Federal Trade Commission as to whether or not there was anything that that body should take cognizance of in the use by officers of Swift & Company of the traffic of Swift &

Company to induce purchases of articles manufactured by the Mechanical Manufacturing Company. That case has gone to evidence and is pending.

The second one is the case of the Waugh Equipment Company and two individuals, in which the question arose, with the distinct understanding that Armour & Company was not a party to it, as to whether or not certain officials of Armour & Company who have a stock interest in the Waugh concern should use their position to bring that to the attention of the railroads. That case is before the Federal Trade Commission.

The third and the most comprehensive is an inquiry now being conducted throughout the country by the Interstate Commerce Commission, known as a reciprocity hearing, in connection with which the Interstate Commerce Commission is discussing the whole trend of reciprocity dealing for the purpose of ascertaining whether or not there is necessary in that regard any action whatever on the part of the Commission. In those cases these certain documents were produced. We admit their authenticity; some of them are letters from officials of Swift & Company; and, in a few instances, Armour & Company, to railroad offi- [fol. 1312] cials. We do not only admit their authenticity, but we admit their admissibility. Others are letters between an official of a railroad and another official of the railroad, intra-departmental railroad communications or memoranda on the subject. We admit their authenticity but deny their admissibility here. We object to the admissibility of anything that A and B might have said or written to each other with which we had no connection and to which we were not parties. But we do admit this, as Mr. Teegarden said: Some of these letters from A, a railroad official to B, another official of the same railroad, indicate that the writer had a conversation with a Mr. O'Hara of Swift & Company, and the letter purports to set forth the substance of what Mr. O'Hara said to the writer. For instance, I have in mind what Mr. Duke wrote to Mr. Davis. We have produced Federal Trade Commission's Exhibit No. 141 in that connection. In a case of that kind we admit the facts as stated by the writer as having been said by Mr. O'Hara or Mr. Jones, whichever he quotes, and that if the writer were here he would testify in substance that he had said that. Your Honor will

recall the testimony of Mr. White regarding the interest of Armour & Company in the Waugh Equipment Company, and the testimony of Mr. Swift regarding the interest of himself and his brother individually and some other officials of Swift & Company in the Mechanical Manufacturing Company, which company has since gone out of business and is in liquidation, according to the testimony of some witnesses.

With that statement, I think the Court will have a complete understanding of the situation, and the two statements may be taken as a stipulation.

[fol. 1313] STIPULATION RE TESTIMONY

In lieu of separately stating the testimony of the following witnesses, with reference to agreements and unfair practices in the meat packing business—

For the United States:

Morris F. Pick, President and General Manager, The Atlas Soap Works, Jersey City, N. J.

Harry J. Theobald, Theobald Animal By-products Co., Kearney, N. J.

Samuel Ginsburger, fat solicitor for Theobald Animal By-products Company, Kearney, N. J.

Edward Rogutsky, fat solicitor for Theobald Animal By-products Company, Kearney, N. J.

James L. Eggleston, Vernon Meat Company, Vernon, Texas.

Thomas G. Brown, Cook & Brown, Dallas, Texas.

Clyde T. Hays, salesman, Waples Platter Company, Lubbock, Texas.

Frank Redman, salesman, Waples Platter Co., San Angelo, Texas.

Elbert B. Bloodworth, service station manager, Magnolia Petroleum Company, Lubbock, Texas.

W. L. Young, salesman, Hoffman & Hayman Coffee Company, San Antonio, Texas.

Howard A. Pearson, wholesale distributor of lubricating oils, Lubbock, Texas.

John A. Walker, General Manager, David Cole Creamery Company, Omaha, Neb.
George A. Chapman, President, Warrensburg Creamery Company, Warrensburg, Missouri.
A. L. Kantz, Kantz Produce, Muscatine, Iowa.
H. H. Snyder, Davenport, Iowa.
H. Fay Hawkins, owner and manager, Muscatine Creamery, Muscatine, Iowa.
George Werner, Manager, Farmers Union Cooperative Creamery, Deschler, Nebraska.
H. G. Holtzen, bookkeeper, Farmers Union Cooperative Creamery, Deschler, Nebraska.
William Castberg, Castberg Creamery, Powell, Wyoming.
E. J. Tucker, Texas Refining Company, Cody, Wyoming.
[fol. 1314] Jesse Hubbard, farmer, Belfry, Montana.

For the petitioning defendants, in rebuttal:

H. J. Bird, Assistant Manager, Poultry Department, Swift & Company, Chicago, Illinois.
F. E. Gould, General Superintendent of Creameries, Produce Department, Armour & Company, Chicago, Illinois.
George L. Warner, District Manager, Southwestern Produce Plants, Armour & Company, Wichita, Kansas.
G. H. Trader, Manager, produce plant, Swift & Company, Sedalia, Mo.
A. C. Peterson, Manager, produce plant and creamery, Swift & Company, Muscatine, Iowa.
J. M. Yates, Manager, produce plant, Swift & Company, Beatrice, Neb.
James F. Furlong, Branch-House District Manager, Armour & Company, Fort Worth, Texas.
J. W. DeBorss, Manager, Harrison plant, Swift & Company, Kearney, N. J.
L. E. Dunker, Supervisor, Southwestern Produce Plants, Produce Department, Swift & Company, Chicago, Illinois.
John B. Teel, Car Route Sales Manager, Armour & Company, Fort Worth, Texas.
W. P. Lindsey, Branch House Manager, Armour & Company, San Angelo, Texas.
John E. Adcock, Branch House Salesman, Armour & Company, Brownwood, Texas.

Zola Short, Branch House Salesman, Armour & Company, Dallas, Texas.
E. M. Sullivan, District Manager, Swift & Company, Fort Worth, Texas.
Homer G. Petit, Creameries Manager, Armour & Company, Superior, Neb.
A. J. Harris, Branch Manager, Swift & Company, Amarillo, Texas.
John M. Connolly, Branch House Manager, Swift & Company, Dallas, Texas.
C. C. Johnson, Salesman, Swift & Company, Vernon, Texas.
W. J. Clingman, Manager, Car Route Sales Department, Swift & Company, Fort Worth, Texas.

the following, substantially the language of the opinion of Mr. Justice Bailey, is adopted as a summarized statement of the substance and effect of such testimony:

"There is some testimony as to certain sporadic cases of unfair practices, and fixing of prices. There were certain instances in the collection of fats in the Metropolitan Dis-
[fol. 1315] trict of New York City in which Swift and Armour in competition with some of their competitors en-
gaged in the practice of following each other's
2687-88 trucks to ascertain the location of their customers, and paid bonuses and large prices to get them for themselves. In 1923 Swift & Company's head buyer and superintendent of fat collection in New York offered to agree with a competitor upon an allocation of customers, and upon the prices to be paid to their respective customers. An agreement allocating customers was entered into, but that arrangement continued for a very little while. It does not appear that the acts of Armour and of Swift were any worse than those of their competitors, nor that the final agrements were forced upon the others by Armour and Swift, but were for the benefit of all. There is also testimony as to threats of cutting prices made in 1930 by defendant's representatives to a competitor in Texas; that Wilson, Armour and Swift were working under an agreement in Oklahoma as to minimum prices to be obtained on fresh pork; that in certain territories salesmen of Armour, Swift, Wilson and other packers since the summer of 1929 received weekly confidential lists of identical minimum prices; that during the same time, Armour & Company in-

duced the Vernon Meat Company, of Vernon, Texas, to join with them and others for the observance of minimum prices to their retail customers, the prices being furnished unsigned in a plain envelope, marked "strictly private." While the evidence is conflicting on these points, I am inclined to think that these charges are substantially true, but there is no evidence that the officials in the main offices of the defendants had any knowledge of these practices, but on the other hand they had forbidden any agreements or arrangements to fix prices. In fact, the prices of the different defendants did not coincide. Armour and Swift, in 1929, endeavored to put into effect what was known as a "service-at-cost" plan of paying for butterfat, by which each seller of milk paid a fixed charge for the expense of measuring the amount of butterfat in his milk, and in order to force this upon their competitors, advanced the price of butterfat, while the price of butter was not affected. They failed in their attempt * * *"

[fols. 1316 & 1317] At the close of the testimony of the Government witnesses with reference to agreements and unfair practices in the meat packing business, the Government rested its case.

Counsel for interveners were present throughout the proceedings in this Court, cross-examined witnesses and otherwise participated in these proceedings. At the conclusion of the testimony offered in behalf of the Government, counsel for the American Wholesale Grocers' Association stated:

Mr. Watkins: If Your Honor please, there was offered in evidence Exhibit 154 of my exhibits—it goes under the name of a Petitioners' Exhibit—and at that time the witness questioned whether or not any such sale as that mentioned was made. Mr. Hogan has agreed that I shall put in the information with reference to that, which I have received
3300 from the man who received it, and I offer as an American Grocers' Association Exhibit a check dated Gordonsville, Virginia, May 29, 1930, payable to Armour & Company, for $24.50, sent to L. E. Yowell, and as part of that exhibit, attached to it, the freight bill for the transportation referred to in the Exhibit 154. * * * As

explained yesterday, the testimony already offered for the Government covers the same grounds that we would have presented, and there is no use of my taking the time of the Court to present any other testimony.

And counsel for National Wholesale Grocers' Association stated:

3301 Mr. Ford: May it please the Court, any testimony we might produce would be simply cumulative as to that already offered by the Government, and we will not offer any.

Meat Packing Schedules According to Value for 1927

	Total	5–20	20–100	100–500	500–1000	1,000,000 and more.
United States	1250	64	267	429	163	327
1 Alabama	8	1	2	3	..	2
2 Arizona	8	1	3	3	..	1
3 Arkansas	2	..	..	1	1	..
4 California	94	2	14	29	19	30
5 Colorado	25	1	8	9	3	4
6 Connecticut	4	..	2	1	..	1
7 Delaware	9	3	3	1	1	1
8 District of Columbia	8	..	1	5	1	1
9 Florida	6	..	1	2	3	..
10 Georgia	8	..	3	3	..	2
11 Idaho	14	1	5	8	..	..
12 Illinois (State at large)	81	2	..	23	14	42
12x Chicago	..	..	..	..	..	..
13 Indiana	58	3	11	20	12	12
14 Iowa	21	..	3	7	3	8
15 Kansas	29	..	5	10	4	10
16 Kentucky	21	..	4	7	4	6
17 Louisiana	9	1	1	4	3	..
18 Maine	11	2	4	4	1	..
19 Maryland	40	5	15	11	3	6
20 Massachusetts	40	7	9	10	3	11
21 Michigan	45	4	10	21	..	10
22 Minnesota	12	1	..	3	..	8
23 Mississippi	3	..	2	1	..	..
24 Missouri	45	..	13	17	6	9
25 Montana	17	1	6	8	..	2
26 Nebraska	14	..	1	6	2	5
27 Nevada	3	..	..	2	1	..
28 New Hampshire	2	..	2	..	..	..

29 New Jersey	35	..	5	11	7	12
30 New Mexico	1	..	..	1	..	..
31 New York (State at large)	117	3	23	31	17	43
31x New York City	..	..	..	..	..	..
32 North Carolina	7	2	2	1	1	1
33 North Dakota	2	..	..	..	..	2
34 Ohio	120	3	17	50	21	29
35 Oklahoma	7	..	..	4	..	3
36 Oregon	17	1	4	9	2	1
37 Pennsylvania (State at large)	152	10	52	46	15	29
37x Philadelphia	..	..	..	..	..	..
38 Rhode Island	6	..	1	2	..	3
39 South Carolina	4	1	2	..	1	..
40 South Dakota	5	..	..	2	..	3
41 Tennessee	13	1	3	1	3	5
42 Texas	24	..	3	11	2	8
43 Utah	9	1	2	3	1	2
44 Vermont	..	..	..	..	..	..
45 Virginia	26	3	9	12	1	1
46 Washington	36	4	11	12	3	6
47 West Virginia	9	..	1	5	2	1
48 Wisconsin	19	..	4	6	2	7
49 Wyoming	4	..	..	3	1	..

[fol. 1319] PET. EX. 4—Oct. 7, 1930

The Number of Slaughtering and Meat Packing Establishments in the United States
(Classified According to Size of Establishments as Measured by Value of Products)

Value of products	Number of establishments								
	1909	1914	1919	1921	1923	1925	1927	1928	1930
Less than $5,000	16*	25*	21*	47*	**	**	**	....	....
$5,000–$20,000	134	182	129	142	162	84	64	....	....
$20,000–$100,000	438	427	338	304	412	314	267	....	....
$100,000–$500,000	467	357	385	360	390	400	429	....	....
$500,000–$1,000,000		82	121	112	141	142	163	....	....
$1,000,000 and over	166	206	310	266	292	329	327	....	....
Total	1,205*	1,254*	1,283*	1,184*	1,397*	1,269	1,250	....	....

*Establishments with products valued at less than $5,000 not included in total.
**In 1923 and 1925 no data were collected from establishments reporting products valued at less than $5,000.

Source of Data:

Classified data from the Bureau of the Census, United States Department of Commerce. Federally inspected establishments from the Bureau of Animal Industry, U. S. Department of Agriculture.

[fols. 1320–1322]

PETITIONERS' EX. 7

United States Department of Agriculture, Bureau of Agricultural Economics

Statistics of Meat Production, Consumption and Foreign Trade of the United States, 1900–1929
Preliminary Report

Washington, D. C., April, 1930

[fol. 1323]

1.—Animals Slaughtered

Number of Animals Slaughtered Annually Under Federal Inspection and Estimated Total Number Slaughtered (Including Farm) in United States

(In thousands—i.e., 000 omitted)

Calendar year	Cattle		Calves		Sheep and lambs		Swine	
	Federally inspected	Total	Federally inspected	Total	Federally inspected	Total	Federally inspected	Total
1900	5,030	10,242	365	3,235	6,380	12,015	23,990	50,470
1901	5,390	11,088	490	3,585	7,037	12,358	24,960	51,870
1902	5,847	11,697	612	3,931	8,010	13,038	23,535	48,260
1903	6,242	12,463	717	4,221	8,424	13,683	22,961	47,900
1904	6,223	12,099	805	4,471	8,067	13,126	24,726	49,987
1905	6,727	12,640	846	4,744	7,873	12,823	25,324	51,540
1906	6,926	12,944	1,103	4,834	8,224	13,371	26,649	52,680
1907	7,633	13,287	2,024	6,211	10,252	13,360	32,885	54,058
1908	7,279	12,852	1,958	6,048	10,304	13,526	38,643	60,515
1909	7,714	13,611	2,189	6,516	11,342	14,725	31,395	53,220
1910	7,807	13,541	2,238	6,553	11,408	14,797	26,014	47,076
1911	7,619	12,958	2,184	6,264	14,020	18,057	34,133	56,646
1912	7,253	11,979	2,278	6,348	14,979	19,247	33,053	55,564
1913	6,978	11,478	1,902	5,285	14,406	18,520	34,199	57,046
1914	6,757	11,004	1,697	4,661	14,229	18,290	32,532	55,501

PETITIONERS' EX. 7—Continued

Calendar year	Cattle		Calves		Sheep and lambs		Swine	
	Federally inspected	Total	Federally inspected	Total	Federally inspected	Total	Federally inspected	Total
1915	7,153	10,822	1,819	4,640	12,212	15,756	38,381	62,017
1916	8,310	12,027	2,367	5,774	11,941	15,408	43,084	67,613
1917	10,350	13,724	3,143	7,031	9,345	12,149	33,910	56,901
1918	11,829	15,750	3,456	7,514	10,320	13,359	41,214	64,796
1919	10,091	14,838	3,969	8,445	12,691	16,317	41,812	65,190
1920	8,609	13,885	4,058	8,455	10,982	14,180	38,019	61,890
1921	7,608	12,271	3,808	7,771	13,905	16,710	38,982	62,957
1922	8,678	13,148	4,182	8,363	10,929	14,112	43,114	68,105
1923	9,163	13,883	4,500	8,824	11,529	14,862	53,334	79,843
1924	9,593	14,400	4,935	9,466	11,991	15,441	52,873	79,631
1925	9,853	14,706	5,353	10,099	12,001	15,454	43,043	68,294
1926	10,180	14,971	5,153	9,542	12,961	16,689	40,636	65,779
1927	9,520	14,000	4,876	9,030	12,883	16,589	43,633	69,250
1928	8,467	12,452	4,680	8,667	13,488	17,348	49,795	76,593
1929	8,324	12,241	4,489	8,313	14,023	18,048	48,445	74,945

Relatively small numbers of goats and horses are slaughtered in plants operating under Federal Inspection. The total volume of goat meat produced from Federally inspected slaughter in 1928 and 1929 amounted to less than one million pounds. A large part of the meat from horses is exported, and the remainder is used for dog and other animal feed, and in menageries and zoological parks. The numbers of the goats and horses slaughtered are reported monthly and annually by the Meat Inspection Division, Bureau of Animal Industry.

2. All Meats

Estimated Annual Production, Exports, Imports, and Consumption of All Meats (excluding lard) in United States

Calendar year	Slaughter (dressed weight)			Exports	Imports (less re-exports)	Consumption (dressed-weight basis	
	Total	Federally inspected	Other			Total	Per capita
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Pounds
1900	12,388	5,976	6,412	1,286	.....	10,873	142.8
1901	12,657	6,128	6,529	1,323	....	11,101	142.8
1902	12,163	6,036	6,127	1,019	....	10,921	137.7
1903	13,120	6,486	6,634	997	....	11,920	147.2
1904	13,404	6,775	6,629	963	....	12,253	148.3
1905	13,428	6,874	6,554	1,098	....	12,093	143.7
1906	13,706	7,134	6,572	1,126	....	12,381	144.2
1907	14,680	8,690	5,990	971	....	13,560	155.1
1908	14,396	8,666	5,730	862	....	13,386	150.3
1909	14,362	8,402	5,960	651	....	13,585	149.2
1910	13,648	7,836	5,812	437	....	13,121	141.6
1911	14,454	8,727	5,727	564	....	13,777	146.5
1912	13,749	8,349	5,400	518	....	13,128	137.4
1913	13,729	8,267	5,462	518	36	13,152	136.3
1914	13,299	8,101	5,198	491	307	13,015	133.0
1915	13,816	8,849	4,967	1,309	147	12,394	124.8
1916	14,626	9,677	4,949	1,314	40	12,866	127.7
1917	13,932	9,438	4,494	1,310	36	12,273	120.1
1918	16,405	11,319	5,086	2,428	131	13,477	120.1
1919	16,006	10,577	5,429	2,169	72	13,655	130.0
1920	15,511	9,689	5,822	1,089	116	14,560	137.8
1921	15,182	9,671	5,511	819	46	14,450	133.3
1922	16,295	10,539	5,756	775	49	15,249	138.8
1923	17,912	11,923	5,989	1,005	33	16,648	149.0
1924	17,867	11,837	6,030	777	34	17,021	149.7
1925	17,005	11,179	5,826	592	30	16,575	143.7
1926	17,245	11,354	5,891	465	59	16,753	143.0
1927	16,872	11,272	5,600	252	114	16,570	139.7
1928	16,955	11,317	5,638	360	143	16,569	138.0
1929	16,803	11,184	5,619	407	154	16,607	136.8

[fol. 1329]

PETITIONERS' EX. 7—Continued

7.—Lard

Estimated Annual Production, Export, and Consumption of Lard in United States

Calendar year	Production			Exports	Imports (less re-exports)	Consumption	
	Total	Federally inspected	Other			Total	Per capita
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Pounds
1900	1,617	821	796	615	.....	1,002	13.2
1901	1,614	829	785	612	.....	1,002	12.9
1902	1,439	737	702	507	.....	932	11.7
1903	1,496	766	730	541	.....	955	11.8
1904	1,596	841	755	571	.....	1,025	12.4
1905	1,551	799	752	708	.....	843	10.0
1906	1,644	882	762	685	.....	959	11.2
1907	1,777	1,137	640	594	.....	1,183	13.5
1908	1,790	1,171	619	587	.....	1,203	13.5
1909	1,504	886	618	462	.....	1,042	11.5
1910	1,434	792	642	382	.....	1,052	11.4
1911	1,673	1,010	663	610	.....	1,063	11.3
1912	1,626	965	661	558	.....	1,068	11.2
1913	1,681	1,006	675	581	.....	1,100	11.4
1914	1,657	969	688	465	.....	1,192	12.2
1915	1,775	1,081	694	494	.....	1,281	12.9
1916	1,849	1,159	690	463	.....	1,368	13.6
1917	1,557	926	631	388	.....	1,195	11.7
1918	1,983	1,260	723	559	.....	1,374	13.3
1919	2,039	1,323	716	789	.....	1,292	12.3
1920	2,056	1,321	735	643	.....	1,416	13.3
1921	2,114	1,379	735	903	.....	1,223	11.3
1922	2,357	1,575	782	799	.....	1,558	14.2
1923	2,783	1,971	812	1,075	.....	1,707	15.3

1924	2,746	1,923	823	986	.....	1,749	15.4
1925	2,223	1,452	771	719	.....	1,522	13.2
1926	2,324	1,513	811	733	.....	1,584	13.5
1927	2,356	1,557	799	717	.....	1,634	13.8
1928	2,594	1,750	844	801	.....	1,763	14.7
1929	2,598	1,763	835	866	.....	1,735	14.3

[fol. 1330]

8.—Summary of per Capita Consumption of Dressed Meats and Lard in United States

Product	1900 Pounds	1901 Pounds	1902 Pounds	1903 Pounds	1904 Pounds	1905 Pounds	1906 Pounds
Beef	67.8	69.0	68.5	76.0	73.6	73.0	72.6
Veal	3.5	3.9	4.4	4.7	5.1	5.4	5.4
Lamb and mutton	6.8	6.9	7.0	7.2	6.8	6.5	5.6
Pork (ex. lard)	64.7	63.0	57.8	59.3	62.8	58.8	59.7
Total meat	142.8	142.8	137.7	147.2	148.3	143.7	144.2
Lard	13.2	12.9	11.7	11.8	12.4	10.0	11.2

Product	1907	1908	1909	1910	1911	1912	1913
Beef	77.5	71.5	75.4	71.1	67.7	61.1	60.6
Veal	6.7	6.4	6.9	6.8	6.4	6.3	5.1
Lamb and mutton	6.4	6.3	6.6	6.4	7.8	8.1	7.5
Pork (ex lard)	64.4	66.1	60.1	57.1	64.5	61.8	63.0
Total meat	155.1[1]	150.3	149.2[2]	141.6[3]	146.5[1]	137.4[1]	136.3[1]
Lard	13.5	13.5	11.5	11.4	11.3	11.2	11.4

Petitioners' Ex. 7—Continued

Product	1914 Pounds	1915 Pounds	1916 Pounds	1917 Pounds	1918 Pounds	1919 Pounds	1920 Pounds	1921 Pounds
Beef	58.8	54.5	56.0	59.5	63.0	61.6	63.1	59.9
Veal	4.6	4.3	5.3	6.5	7.4	7.7	7.6	7.0
Lamb & mutton	7.4	6.3	6.1	4.6	4.7	5.8	5.5	5.9
Pork (ex. lard)	62.3	59.5	60.1	49.3	54.8	54.8	60.5	63.5
Total meat	133.0[1]	124.8[2]	127.7[1]	120.1[2]	130.1[2]	130.0[1]	136.8[1]	136.3
Lard	12.2	12.9	13.6	11.7	13.3	12.3	13.3	11.3

Product	1922	1923	1924	1925	1926	1927	1928	1929
Beef	60.4	61.4	61.6	62.2	63.6	58.4	51.7	51.4
Veal	7.8	7.7	8.2	8.7	8.2	7.4	6.8	6.8
Lamb & mutton	5.0	5.2	5.2	5.2	5.5	5.4	5.6	5.8
Pork (ex. lard)	66.1	74.7	74.7	67.6	66.7	68.5	73.9	72.8
Total meat	138.8	149.0	149.7	143.7	143.0	139.7	138.0	136.8
Lard	14.2	15.3	15.4	13.2	13.5	13.8	14.7	14.3

[1]Includes 0.1 pound goat meat.
[2]Includes 0.2 pound goat meat.

(Here follows Petitioner's Exhibit 1, side folio 1331)

[fol. 1331]

PETITIONER'S EXHIBIT 10—October 8, 1920

Number of Cattle, Calves, Sheep (Including Goats) and Hogs Slaughtered and Total Output of Meat and Lard for the United States and for Each of the Four P
and the Proportion of Animals Slaughtered and of Meat and Lard Produced by Each of the Four Packers Annuall

Firm	Year	Cattle		Calves		Sheep, lambs & goats	
		No. of head	Per cent of U. S. total	No. of head	Per cent of U. S. total	No. of head	Per cent of U. S. total
Estimated total slaughter for United States	1920	13,885,000	100.0	3,455,000	100.0	14,300,000	100.0
	1921	12,271,000	100.0	7,771,000	100.0	16,744,000	100.0
	1922	13,148,000	100.0	8,363,000	100.0	14,170,000	100.0
	1923	13,883,000	100.0	8,824,000	100.0	14,938,000	100.0
	1924	14,400,000	100.0	9,466,000	100.0	15,582,000	100.0
	1925	14,706,000	100.0	10,099,000	100.0	15,564,000	100.0
	1926	14,971,000	100.0	9,542,000	100.0	16,781,000	100.0
	1927	14,000,000	100.0	9,080,000	100.0	16,655,000	100.0
	1928	12,452,000	100.0	8,667,000	100.0	17,401,000	100.0
	1929	12,241,000	100.0	8,313,000	100.0	18,125,000	100.0
Slaughter of Armour & Co., including that of Morris & Co.	1920	2,581,389	18.6	1,006,807	12.0	3,193,238	22.3
	1921	2,202,354	17.9	947,910	12.2	3,654,024	21.8
	1922	2,574,017	19.6	1,032,026	12.3	2,911,420	20.5
	1923	2,713,754	19.5	1,105,783	12.5	3,123,866	20.9
	1924	2,752,531	19.1	1,180,160	12.5	3,215,771	20.7
	1925	2,846,597	19.4	1,254,104	12.4	3,314,026	21.3
	1926	2,845,671	19.0	1,171,209	12.3	3,560,508	21.2
	1927	2,615,390	18.7	1,136,905	12.6	3,518,640	21.1
	1928	2,280,503	18.3	1,145,973	13.2	3,801,516	21.8
	1929	2,248,033	18.4	1,105,029	13.3	4,041,224	22.3
Slaughter of Cudahy Co.	1920	690,049	5.0	201,495	2.4	1,048,806	7.3
	1921	593,132	4.8	132,540	1.7	1,114,306	6.7
	1922	680,799	5.2	150,444	1.8	1,056,144	7.5
	1923	737,148	5.3	228,549	2.6	1,218,250	8.1
	1924	818,769	5.7	267,978	2.8	1,302,573	8.0
	1925	846,529	5.8	306,498	3.0	1,304,037	8.4
	1926	852,112	5.7	371,218	3.9	1,485,671	8.7
	1927	787,663	5.6	359,003	4.0	1,480,598	8.9
	1928	713,231	5.7	342,516	4.0	1,566,330	9.1
	1929	702,902	5.7	330,226	4.0	1,628,774	9.0
Slaughter of Swift & Co.	1920	2,052,607	14.8	1,264,806	15.0	3,311,016	23.2
	1921	1,782,257	14.5	1,168,082	15.0	3,912,606	23.4
	1922	2,084,299	15.9	1,266,401	15.1	3,258,210	23.0
	1923	2,242,445	16.2	1,418,312	16.1	3,676,315	24.6
	1924	2,468,904	17.1	1,591,970	16.8	3,932,113	25.2
	1925	2,583,576	17.6	1,780,987	17.6	4,060,903	26.3
	1926	2,579,923	17.2	1,592,135	16.7	4,662,680	27.8
	1927	2,431,270	17.4	1,552,101	17.2	4,648,953	27.9
	1928	2,185,465	17.6	1,545,035	17.8	4,976,682	28.6
	1929	2,147,306	17.5	1,497,627	18.0	5,1 1,207	28.4
Slaughter of Wilson & Co.	1920	830,415	6.0	287,199	2.8	1,027,534	7.0
	1921	696,387	5.7	221,958	2.9	1,102,131	6.6
	1922	822,665	6.3	261,963	3.1	923,376	6.5
	1923	870,360	6.3	261,481	3.0	920,062	6.2
	1924	890,528	6.2	266,460	2.8	834,455	5.4
	1925	961,601	6.5	319,303	3.2	927,681	6.0
	1926	913,261	6.1	316,087	3.3	1,066,226	6.5
	1927	836,536	5.9	289,116	3.2	1,015,306	6.1
	1928	709,804	5.7	279,850	3.2	1,057,347	6.1
	1929	682,540	5.6	275,289	3.3	1,105,683	6.1

Compiled by the Livest
United States Depart

PETITIONER'S EXHIBIT 10—October 8, 1920

oats) and Hogs Slaughtered and Total Output of Meat and Lard for the United States and for Each of the Four Principal Packers (Including Their Subsidiaries), and the Proportion of Animals Slaughtered and of Meat and Lard Produced by Each of the Four Packers Annually, 1920-1929.

	Cattle		Calves		Sheep, lambs & goats		Swine		Total meat and lard produced from animals slaughtered	
Year	No. of head	Per cent of U. S. total	No. of head	Per cent of U. S. total	No. of head	Per cent of U. S. total	No. of head	Per cent of U. S. total	No. of pounds 000,000 omitted	Per cent of U. S. total
1920	13,885,000	100.0	3,455,000	100.0	4,300,000	100.0	61,890,000	100.0	17,567	100.0
1921	12,271,000	100.0	7,771,000	100.0	16,744,000	100.0	62,957,000	100.0	17,296	100.0
1922	13,148,000	100.0	8,363,000	100.0	14,170,000	100.0	68,105,000	100.0	18,652	100.0
1923	13,883,000	100.0	8,824,000	100.0	14,938,000	100.0	79,843,000	100.0	20,695	100.0
1924	14,400,000	100.0	9,466,000	100.0	15,533,000	100.0	79,631,000	100.0	20,613	100.0
1925	14,706,000	100.0	10,099,000	100.0	15,564,000	100.0	68,294,000	100.0	19,228	100.0
1926	14,971,000	100.0	9,542,000	100.0	16,781,000	100.0	65,779,000	100.0	19,569	100.0
1927	14,000,000	100.0	9,030,000	100.0	16,635,000	100.0	69,250,000	100.0	19,228	100.0
1928	12,452,000	100.0	8,667,000	100.0	17,401,000	100.0	76,593,000	100.0	19,549	100.0
1929	12,241,000	100.0	8,313,000	100.0	18,125,000	100.0	74,945,000	100.0	19,401	100.0
1920	2,581,369	18.6	1,006,807	12.0	3,193,238	22.3	8,072,205	13.0	2,768	15.8
1921	2,202,354	17.9	947,910	12.2	3,654,024	21.8	7,683,157	12.2	2,615	15.1
1922	2,574,013	19.6	1,032,026	12.3	2,911,420	20.5	8,726,742	12.8	2,927	15.7
1923	2,713,754	19.5	1,105,783	12.5	3,123,866	20.9	11,123,285	13.9	3,350	16.2
1924	2,752,531	19.1	1,180,160	12.5	3,215,771	20.7	10,214,621	12.8	3,166	15.4
1925	2,846,597	19.4	1,254,104	12.4	3,314,026	21.3	8,109,767	11.9	2,942	15.3
1926	2,845,671	19.0	1,171,209	12.3	3,560,508	21.2	7,390,850	11.2	2,921	14.9
1927	2,615,390	18.7	1,136,905	12.6	3,518,649	21.1	7,393,357	10.7	2,761	14.4
1928	2,280,503	18.3	1,145,973	13.2	3,801,516	21.8	8,313,758	10.9	2,714	13.9
1929	2,248,033	18.4	1,105,029	13.3	4,041,224	22.3	8,295,675	11.1	2,737	14.1
1920	690,049	5.0	201,495	2.4	1,048,806	7.3	1,880,899	3.0	698	4.0
1921	593,132	4.8	132,540	1.7	1,114,306	6.7	1,812,723	2.9	657	3.8
1922	680,799	5.2	150,444	1.8	1,056,144	7.5	2,151,814	3.2	749	4.0
1923	737,148	5.3	228,549	2.6	1,213,350	8.1	2,817,856	3.5	882	4.3
1924	818,769	5.7	267,973	2.8	1,392,572	9.0	2,888,060	3.6	927	4.5
1925	846,829	5.8	306,498	3.0	1,304,037	8.4	2,405,686	3.5	880	4.6
1926	852,112	5.7	371,218	3.9	1,455,671	8.7	2,187,168	3.3	887	4.5
1927	787,663	5.6	359,003	4.0	1,480,588	8.9	2,593,302	3.7	909	4.7
1928	713,231	5.7	342,516	4.0	1,588,339	9.1	3,061,513	4.0	938	4.8
1929	702,902	5.7	330,226	4.0	1,628,774	9.0	2,872,045	3.8	913	4.7
1920	2,052,697	14.8	1,264,806	15.0	3,311,016	23.2	6,745,623	10.9	2,323	13.2
1921	1,782,257	14.5	1,168,082	15.0	3,912,605	23.4	6,366,506	10.1	2,215	12.8
1922	2,084,299	15.9	1,266,401	15.1	3,258,210	23.0	7,188,095	10.6	2,464	13.2
1923	2,242,445	16.2	1,418,812	16.1	3,676,315	24.6	9,455,687	11.8	2,903	14.0
1924	2,468,904	17.1	1,591,970	16.8	3,932,113	25.3	9,222,029	11.6	2,942	14.3
1925	2,583,376	17.6	1,780,937	17.6	4,090,962	26.3	7,698,726	11.3	2,829	14.7
1926	2,579,923	17.2	1,592,135	16.7	4,663,680	27.8	7,448,915	11.3	2,880	14.7
1927	2,431,270	17.4	1,552,101	17.2	4,648,953	27.9	8,361,823	12.1	2,911	15.1
1928	2,185,465	17.6	1,545,035	17.8	4,976,682	28.6	9,574,137	12.5	2,949	15.1
1929	2,147,306	17.5	1,497,627	18.0	5,1 1,207	28.4	9,446,110	12.6	2,950	15.2
1920	830,415	6.0	237,199	2.8	1,007,534	7.0	2,815,880	4.5	916	5.2
1921	696,387	5.7	221,955	2.9	1,103,131	6.6	2,531,221	4.0	833	4.8
1922	822,665	6.3	262,263	3.1	923,376	6.5	2,567,256	3.8	894	4.8
1923	870,360	6.3	263,461	3.0	920,082	6.2	3,312,256	4.1	1,023	4.9
1924	890,823	6.2	260,980	2.8	834,456	5.4	2,917,061	3.7	946	4.6
1925	951,601	6.5	319,303	3.2	927,681	6.0	2,247,792	3.3	894	4.6
1926	913,281	6.1	316,037	3.3	1,086,236	6.5	2,223,062	3.4	911	4.7
1927	826,338	5.9	289,116	3.2	1,018,396	6.1	2,454,478	3.5	881	4.6
1928	709,804	5.7	279,850	3.2	1,057,347	6.1	2,843,897	3.7	873	4.5
1929	682,540	5.6	275,280	3.3	1,105,683	6.1	2,800,250	3.5	833	4.3

Compiled by the Livestock, Meats and Wool Division, Bureau of Agricultural Economics, United States Department of Agriculture.

[fol. 1332] PET. EX. No. 46

Table —.—Financial Results of Operations During 1929 for 832 Packers Subject to the Packers and Stockyards Act, Grouped According to Federally and Non-Federally Inspected Slaughtering and Non-Slaughtering Concerns.

Group	Number of concerns	Average net worth[1]	Net sales	Net gain
Federally inspected slaughterers	215	$801,858,079	$3,559,116,692	$35,996,445
Nonfederally inspected slaughterers	372	53,557,331	289,002,009	3,909,686
Nonslaughterers[2]	245	164,564,688	447,229,982	25,835,501
Total	832	1,019,980,098	4,295,348,683	65,741,632

[1]These figures represent the numerical average of the total net worth of reporting concerns at the beginning and end of their fiscal year.
[2]This group includes concerns which also handle commodities other than meat food products.

[fol. 1333] PET. EX. No. 47

Table—.—Comparison of the Operations of Packers Subject to the Packers and Stockyards Act, 1925–1929

Item	1925, 514 concerns	1926, 580 concerns	1927, 611 concerns	1928, 680 concerns	1929, 832 concerns
Average net worth[1]	$940,268,445	$969,916,117	$970,772,548	$983,705,930	$1,019,980,098
Total income	3,816,528,294	3,758,972,700	3,877,621,354	4,110,095,060	4,308,814,715
Total expenses	3,751,970,047	3,699,943,922	3,839,325,046	4,039,890,813	4,243,073,083
Net gain	64,558,247	59,028,778	38,296,308	70,204,247	65,741,632
Per cent of gain to net worth	6.87	5.96	3.94	7.14	6.45

[1]These figures represent the average of the total net worth of all reporting concerns at the beginning and end of their fiscal years.

Receipts of Livestock as Reported to Bureau of Animal Industry, Dept. of Agriculture, by Stockyards Posted Under the Packers & Stockyards Act, 1921, Year 1929

Stockyard	Location	Total receipts					
		Cattle	Calves	Hogs	Sheep & goats	Horses & mules	Total head
1. N. Y. Central Stock Yards	Albany, N. Y.	5,629	801	166	476	30	7,102
2. Western Stock Yards	Amarillo, Tex.	114,078	.....	155,866	222,599	8,073	500,616
3. New Orleans Stock Yards	Arabi, La.	70,673	39,945	53,807	2,204	677	217,306
4. National Stock Yards	Atlanta, Ga.	19,800	.....	36,844	60	26,089	82,793
5. Augusta Stock Yards	Augusta, Ga.	1,580	240	3,660	22	.....	5,502
6. Union Stock Yards	Baltimore, Md.	136,864	58,379	1,093,031	410,425	709	1,699,408
7. Union Stock Yards	Benning, D. C.	10,057	9,271	148,169	9,163	30	176,690
8. Union Stock Yards	Birmingham, Ala.	No report					
9. Brighton Stock Yards	Brighton, Mass.	39,054	74,880	26,562	8,525	42	149,063
10. Buffalo Stock Yards	Buffalo, N. Y.	189,587	300,404	900,275	925,785	10,055	2,326,106
11. Foust-Yarnell Stock Yards	Chattanooga, Tenn.	15,649	.....	29,518	3,180	.....	48,347
12. Union Stock Yards	Chicago, Ill.	2,388,422	672,073	8,102,951	3,784,865	18,826	15,057,135
13. Cincinnati Union Stock Yards	Cincinnati, O.	233,283	124,164	1,388,253	216,461	1,133	1,963,294
14. Union Stock Yards	Cleveland, O.	125,441	136,974	835,345	436,573	.....	1,534,333
15. Union Stock Yards	Dayton, O.	20,552	8,351	122,017	8,888	153	159,961
16. Union Stock Yards	Denver, Colo.	555,579	68,479	538,524	2,290,395	22,451	3,475,428
17. Detroit Stock Yards	Detroit, Mich.	134,673	169,983	409,848	532,999	390	1,247,893
18. Union Stock Yards	El Paso, Tex.	126,833	17,063	43,982	178,045	1,834	367,777
19. McElroy Stock Yards	E. Paso, Tex.	31,460	15,275	2,346	9,765	.....	58,846
20. Evansville, Union Stock Yards	Evansville, Ind.	33,747	37,951	227,231	29,969	91	328,989
21. Fort Wayne Union Stock Yards	Fort Wayne, Ind.	14,200	13,877	105,436	26,643	.....	160,156
22. Fort Worth Stock Yards	Fort Worth, Tex.	101,798	327,334	401,740	539,687	42,304	2,072,863
23. Galesburg Horse & Mule Market	Galesburg, Ill.	.....	.....	.....	.....	9,875	9,875
24. Bradstreet & Clemens Stockyards	Grand Island, Nebr.	39,196	8,948	14,380	1,501	11,151	75,176
25. Union Stock Yards	Indianapolis, Ind.	255,169	173,564	2,145,407	269,728	2,090	2,845,958
26. National Stock Yards	Jacksonville, Fla.	8,981	1,380	40,227	468	1,989	53,045
27. Jersey City Stock Yards	Jersey City, N. J.	227,432	412,298	115,365	1,536,789	1,946	2,293,830
28. Kansas City Stock Yards	Kansas City, Mo.	1,835,792	341,959	2,476,307	1,752,882	52,400	6,459,340

29.	Union Stock Yards	Knoxville, Tenn	16,292	3,478	34,015	2,146	119	56,050
30.	Union Stock Yards	La Fayette, Ind	6,366	7,418	131,577	7,653	.....	153,014
31.	Union Stock Yards	Lancaster, Pa	180,090	31,092	86,340	23,539	362	321,423
32.	Union Stock Yards	Los Angeles, Calif	202,481	61,847	217,449	69,828	339	551,944
33.	Bourbon Stock Yards	Louisville, Ky	123,697	104,997	352,196	163,781	615	745,286
34.	Darnell Stockyards	Memphis, Tenn	No report					
35.	Dixie National Stock Yards	Memphis, Tenn	9,038	2,778	2,912	435	29	15,192
36.	Memphis Union Stock Yards	Memphis, Tenn	5,937	142	882	161	27,897	35,019
37.	So. Memphis Stock Yards	Memphis, Tenn	29,945	26,429	77,675	529	.....	134,578
38.	Meridian Union Stock Yards	Meridian, Miss	6,174	710	364	20	13	7,281
39.	Milwaukee Stock Yards	Milwaukee, Wis	136,716	437,143	599,506	73,330	3,616	1,250,311
40.	Union Stock Yards	Montgomery, Ala	71,932	41,934	48,755	6,635	8,136	177,402

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41.	Southern Stock Yards	Moultrie, Ga	11,664	.....	78,371	.....	.....	90,035
42.	Muncie National Stock Yards	Muncie, Ind	7,329	12,895	147,774	31,496	.....	199,494
43.	Union Stock Yards	Nashville, Tenn	48,003	39,685	175,504	155,269	112	418,573
44.	St. Louis National Stock Yards	National Stock Yards, Ill	951,097	422,591	4,597,244	654,852	91,101	6,716,885
45.	Newark Stock Yards	Kearney, N. J	20,447	14,350	477,737	77,312	.....	589,846
46.	41st Street Stock Yards	New York City, N. Y	25,797	66,639	5,158	12,901	178	110,673
47.	Union Stock Yards	Ogden, Utah	124,321	9,626	262,727	1,775,125	3,553	2,175,352
48.	Oklahoma National Stock Yards	Oklahoma City, Okla	253,012	121,552	460,280	25,262	6,798	866,904
49.	Union Stock Yards	So. Omaha, Nebr	1,444,210	102,223	3,165,793	3,030,619	20,991	7,763,836
50.	Pasco Union Stock Yards	Pasco, Wash	2,568	28	12,182	73,363	2,149	90,290
51.	Union Stock Yards	Peoria, Ill	39,650	43,835	765,627	14,861	353	864,326
52.	West Philadelphia Stock Yards	Philadelphia, Pa	49,508	108,488	294,812	279,226	1,548	733,582
53.	Union Stock Yards	Pittsburgh, Pa	280,482	295,510	1,852,876	989,241	12,859	3,430,968
54.	Portland Union Stock Yards	No. Portland, Ore	118,830	13,268	260,755	141,233	1,183	544,269
55.	Richmond Union Stock Yards	Richmond, Va	15,620	11,244	255,191	11,875	51	293,981
56.	Salt Lake Union Stock Yards	No. Salt Lake, Utah	64,168	.....	319,112	629,742	981	1,014,003
57.	Union Stock Yards	San Antonio, Tex	88,781	62,878	86,236	49,002	3,577	290,474
58.	So. San Francisco Un. Stkyds	So. San Francisco, Calif	72,580	6,070	259,029	236,212	3	573,894
59.	Union Stock Yards	Seattle, Wash	34,629	3,444	172,324	60,560	1,289	272,246
60.	Sioux City Stock Yards	Sioux City, Ia	777,776	61,469	2,313,212	840,492	17,493	4,010,442
61.	Sioux Falls Stock Yards	Sioux Falls, S. D	67,396	11,803	464,928	7,636	700	552,463
62.	Spokane Union Stockyards	Spokane, Wash	26,786	3,923	64,778	29,220	1,242	125,949

PET. EX. No. 48—Continued

Stockyard	Location	Total receipts					
		Cattle	Calves	Hogs	Sheep & Goats	Horses & mules	Total head
63. Stockmen's Union Yards	Spokane, Wash	17,838	2,551	50,534	5,721	159	76,803
64. Springfield Stock Yards	Springfield, Ill	2,662	5,583	159,333	2,491	.....	170,009
65. Springfield Stockyards	Springfield, Mo	13,289	29,448	124,942	14,530	2,870	184,979
66. Union Stock Yards	Springfield, Mo	Posted Dec. 3, 1929					
67. Stockton Feed Yards	Stockton, Calif	12,790	.....	13,007	55,753	858	82,408
68. St. Joseph Stock Yards	So. St. Joseph, Mo	500,390	89,274	1,626,641	1,635,607	7,426	3,859,338
69. St. Paul Union Stockyards	So. St. Paul, Minn	878,509	546,459	2,868,883	1,139,073	17,768	5,450,692
70. Interstate Stock Yards	Toledo, O	8,609	819	24,688	4,778	.....	38,894
71. Toledo Union Stock Yards	Toledo, O	8,377	4,357	73,784	8,056	.....	94,574
72. Wichita Union Stock Yards	Wichita, Kans	239,799	91,221	832,637	140,424	17,997	1,322,078
73. Guyton Stock Yards	Memphis, Tenn	Posted June 25, 1930					
74. Bushnell Stock Yards	Bushnell, Ill	Posted Aug. 1, 1930					
Grand Total		14,301,054	5,962,814	43,334,037	25,678,084	466,603	89,832,592

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Crops and Markets

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(Here follows statement of receipts and disposition of live-stock at public stockyards for 1928 and 1929, side folios 1345 and 1346–1367)

[fol. 1345]

Receipts and Disposition of Livestock at Public Stockyards for 1928 and 1929

(65 Markets)

Cattle (excluding calves)

Markets	Receipts		Local slaughter		Stocker and feeder shipments		Total shipments		Receipts		Local slau
	1928	1929	1928	1929	1928	1929	1928	1929	1928	1929	1928
Amarillo, Tex	173,377	114,078	.....	.....	145,416	82,798	173,437	114,077	(1)	(1)	.....
Atlanta, Ga	67,685	46,033	26,012	19,996	.....	.....	41,468	26,309	14,006	6,970	5,880
Augusta, Ga	6,828	2,374	6,828	2,374	.....	.....	.....	.....	1,070	508	1,070
Baltimore, Md	142,241	136,864	87,639	88,986	5,267	4,614	54,602	47,878	55,522	58,379	37,110
Boston, Mass	43,263	40,051	(2)	(2)	(2)	(2)	(2)	(2)	69,647	76,272	(2)
Buffalo, N. Y	227,296	192,137	127,957	111,285	2,306	2,037	98,774	81,431	317,796	298,005	57,326
Chattanooga, Tenn	14,437	15,649	11,452	10,860	2,985	4,789	2,985	4,789	.....	.....	.....
Cheyenne, Wyo	16,358	10,946	.....	.....	.....	.....	16,358	10,946	.....	281	.....
Chicago, Ill	2,505,256	2,388,422	1,769,291	1,659,001	164,293	165,539	735,965	729,421	761,611	672,073	734,895
Cincinnati, Ohio	231,289	190,361	165,567	137,447	18,016	12,659	65,722	52,914	133,734	107,442	73,884
Cleveland, Ohio	96,575	103,629	93,637	101,003	300	470	2,938	2,626	113,824	122,859	109,051
Dallas, Tex	11,569	18,737	11,552	18,699	.....	.....	1	.....	7,338	19,916	7,333
Dayton, Ohio	20,818	20,579	17,181	16,447	.....	.....	3,637	4,132	8,868	8,330	7,836
Denver, Colo	590,382	555,588	130,744	131,489	347,809	306,930	458,563	424,521	76,819	68,479	29,024
Detroit, Mich	130,935	134,825	115,775	121,836	3,415	2,723	15,160	13,289	166,878	169,983	128,868
East St. Louis, Ill	899,516	831,691	275,872	306,888	82,743	88,300	623,644	524,803	415,100	391,460	118,586
El Paso, Tex	196,722	158,293	19,627	21,292	172,949	135,403	176,625	137,727	52,377	32,358	7,271
Evansville, Ind	37,210	31,878	29,756	24,485	5,402	6,110	7,444	7,892	38,821	37,102	37,455
Fort Wayne, Ind	15,066	14,181	9,070	9,424	110	194	5,966	4,751	13,846	13,896	1,711
Fort Worth, Tex	885,902	761,798	381,441	312,857	253,849	219,154	322,269	311,924	325,217	327,334	344,987
Indianapolis, Ind	250,266	255,169	195,296	194,910	27,407	23,715	55,395	59,863	188,235	173,564	63,681
Jacksonville, Fla	40,111	8,981	14,318	6,414	10,201	749	26,211	2,673	4,008	1,380	2,840
Jersey City, N. J	225,019	227,432	225,019	227,432	.....	.....	.....	.....	416,190	412,298	416,190
Kansas City, Mo	1,858,990	1,835,792	816,126	840,289	700,306	654,104	1,058,451	1,010,293	351,096	341,959	213,259
Knoxville, Tenn	16,300	16,271	13,716	12,758	2,205	3,513	2,529	3,513	1,710	3,499	1,680
LaFayette, Ind	6,340	6,194	4,359	3,035	544	1,210	1,987	3,131	6,853	7,364	2,154
Lancaster, Pa	203,318	180,074	77,862	84,788	72,396	63,502	125,456	95,286	27,153	31,105	9,085
Laredo, Tex	9,438	5,050	3,259	3,284	631	105	6,179	1,766	2,760	1,609	618
Los Angeles, Calif	189,759	202,481	177,820	191,907	11,862	10,774	11,862	10,774	56,715	61,847	53,715
Louisville, Ky	133,878	115,409	63,346	62,560	19,348	15,041	70,532	52,849	113,410	103,816	28,885
Marion, Ohio	884	696	9	76	174	122	873	622	1,962	1,549	122
Memphis, Tenn	60,831	44,947	25,186	21,964	10,434	9,807	37,419	24,076	27,233	29,327	23,596
Milwaukee, Wis	151,226	137,639	127,026	123,691	4,199	4,537	24,195	13,943	420,746	443,138	416,535
Montgomery, Ala	89,428	71,931	6,034	6,604	19,236	17,221	83,427	65,271	44,300	41,934	2,175
Moultrie, Ga	13,381	10,876	8,326	4,853	3,068	3,346	5,043	6,142	.....	.....	.....
Muncie, Ind	6,977	7,329	4,585	5,346	448	386	2,392	1,983	10,391	12,895	1,062
Nashville, Tenn	49,334	48,303	36,502	32,871	3,169	2,860	12,832	15,432	41,948	39,685	17,857
Newark, N. J	20,137	20,467	18,173	18,091	2,049	2,328	2,049	2,337	15,024	14,350	15,024
New Orleans, La	73,653	59,050	40,812	32,532	22,610	14,629	32,962	26,541	96,622	81,180	86,668
New York, N. Y	45,496	27,472	45,291	27,408	.....	.....	205	64	226,752	221,581	226,752
North Salt Lake, Utah	49,286	62,318	11,121	12,208	6,370	13,278	38,327	50,000	767	1,850	767
Ogden, Utah	140,414	122,485	9,549	8,877	58,213	52,186	130,865	113,608	8,648	9,469	1,476
Oklahoma City, Okla	262,563	253,012	163,170	162,977	52,141	43,086	99,240	89,640	100,303	121,552	81,882
Omaha, Nebr	1,423,258	1,444,210	847,825	856,173	355,051	371,447	578,115	588,214	94,496	102,223	58,563
Pasco, Wash	6,276	2,568	.....	.....	.....	.....	6,351	2,888	414	28	3
Peoria, Ill	34,205	36,834	11,494	10,538	4,698	5,488	22,764	26,274	41,841	41,945	7,251
Philadelphia, Pa	66,382	49,253	63,182	47,953	.....	.....	3,200	1,300	89,688	88,094	88,948
Pittsburgh, Pa	344,867	304,380	62,016	60,570	.....	.....	282,851	243,810	345,743	318,811	74,581
Portland, Oreg	116,708	118,830	70,986	67,578	6,144	9,277	45,764	51,253	12,843	13,268	10,720
Pueblo, Colo	126,005	95,014	569	580	55,261	34,505	125,223	94,453	15,942	8,776	302
[illegible], Va	17,358	15,620	10,867	10,842	2,008	1,742	6,401	4,778	11,648	11,944	2,457

Receipts and Disposition of Livestock at Public Stockyards for 1928 and 1929

(65 Markets)

Cattle (exluding calves)						Calves							
Local slaughter		Stocker and feeder shipments		Total shipments		Receipts		Local slaughter		Stocker and feeder shipments		Total shipments	
1928	1929	1928	1929	1928	1929	1928	1929	1928	1929	1928	1929	1928	1929
.....	.....	145,416	82,798	173,437	114,077	(1)	(1)	.....	.....	(1)	(1)	(1)	(1)
26,012	19,996	.....	.....	41,468	26,309	14,006	6,970	5,580	2,584	.....	.....	8,211	5,019
6,828	2,374	.....	.....	.....	.....	1,070	508	1,070	508	.....	.....	.....	.....
87,639	88,986	5,267	4,614	54,602	47,878	55,522	58,379	37,110	38,906	.....	.....	18,412	19,473
(2)	(2)	(2)	(2)	(2)	(2)	69,047	76,272	(2)	(2)	(2)	(2)	(2)	(2)
127,957	111,285	2,306	2,037	98,774	81,431	317,796	298,005	57,326	60,086	.....	.....	260,522	237,801
11,452	10,860	2,985	4,789	2,985	4,789	.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	16,358	10,946	.....	281	.....	.....	.....	.....	.....	281
1,769,291	1,659,001	164,293	165,539	735,965	729,421	761,611	672,073	734,895	643,577	.....	68	26,716	28,496
165,567	137,447	18,016	12,659	65,722	52,914	133,734	107,442	73,884	65,218	.....	150	59,850	42,224
93,637	101,003	300	470	2,938	2,626	113,824	122,859	109,051	119,567	.....	70	4,773	3,292
11,552	18,699	.....	.....	1	.....	7,338	19,916	7,333	19,841	.....	.....	4	.....
17,181	16,447	.....	.....	3,637	4,132	8,868	8,330	7,836	7,713	.....	.....	1,032	617
130,744	131,489	347,809	306,930	458,563	424,521	76,819	68,479	29,024	27,330	44,099	37,743	46,750	41,968
115,775	121,536	3,415	2,723	15,160	13,289	166,878	169,983	128,868	126,961	6	.....	38,010	43,022
275,872	306,888	82,743	88,300	623,644	524,803	415,100	391,460	118,586	131,282	820	481	296,514	260,178
19,627	21,292	172,949	135,403	176,625	137,727	52,877	32,358	7,271	6,844	44,255	22,706	45,106	25,511
29,756	24,485	5,402	6,110	7,444	7,392	38,821	37,102	37,455	35,717	1,344	1,378	1,369	1,385
9,070	9,424	110	194	5,966	4,751	13,846	13,896	1,711	1,901	257	69	12,143	11,867
381,441	312,857	253,849	219,154	322,269	311,924	325,217	327,334	344,987	276,547	64,539	54,179	147,975	187,907
195,296	194,910	27,407	23,715	55,395	59,863	188,235	173,564	63,681	59,429	.....	.....	124,554	114,135
14,318	6,414	10,201	749	26,211	2,673	4,008	1,380	2,840	1,234	1,172	146	1,433	147
225,019	227,432	.....	.....	.....	.....	416,190	412,298	416,190	412,298	.....	.....	.....	.....
816,126	840,289	700,306	654,104	1,058,451	1,010,293	351,096	341,959	213,259	206,510	79,401	75,376	96,936	98,095
13,716	12,758	2,205	3,513	2,529	3,513	1,710	3,499	1,680	3,478	30	21	30	21
4,359	3,035	544	1,210	1,987	3,101	6,853	7,364	2,154	1,413	145	389	4,685	5,967
77,862	84,788	72,396	63,502	125,456	95,286	27,153	31,105	9,085	15,617	.....	.....	18,068	15,488
3,259	3,284	631	105	6,179	1,766	2,760	1,609	618	489	1,234	285	2,142	1,120
177,820	191,907	11,862	10,774	11,862	10,774	56,715	61,847	53,715	59,818	2,693	1,933	2,693	1,933
63,346	62,560	19,348	15,041	70,532	52,849	113,410	103,816	28,885	27,347	.....	.....	84,525	76,469
9	76	174	122	873	622	1,962	1,549	122	253	19	18	1,839	1,294
25,186	21,964	10,434	9,807	37,419	24,076	27,233	29,327	23,596	26,938	627	772	1,990	1,276
127,026	123,691	4,199	4,537	24,195	13,943	420,746	443,138	416,535	438,950	3,882	3,642	4,191	4,187
6,034	6,604	19,236	17,221	83,427	65,271	44,300	41,934	2,175	1,842	474	301	42,125	40,240
8,326	4,853	3,068	3,346	5,043	6,142	.....	.....	.....	.....	.....	.....	.....	.....
4,585	5,346	448	386	2,392	1,983	10,391	12,895	1,062	368	225	84	9,329	12,527
36,502	32,871	3,169	2,860	12,832	15,432	41,948	39,685	17,857	14,143	.....	.....	24,091	25,542
18,173	18,091	2,049	2,328	2,049	2,837	15,024	14,350	15,024	14,350	.....	.....	.....	.....
40,812	32,532	22,610	14,629	32,962	26,541	96,622	81,180	86,668	73,247	8,942	3,244	10,091	8,010
45,291	27,408	.....	.....	205	64	226,752	221,581	226,752	221,546	.....	.....	.....	35
11,121	12,208	6,370	13,278	38,327	50,000	767	1,850	767	1,850	.....	.....	.....	.....
9,549	8,877	58,213	52,186	130,865	113,608	8,648	9,469	1,476	1,780	2,960	3,226	7,172	7,689
163,170	162,977	52,141	43,086	99,240	89,640	100,303	121,552	81,882	97,011	7,556	13,051	18,384	24,273
847,825	856,173	355,051	371,447	578,115	588,214	94,496	102,223	58,563	58,429	29,142	43,034	36,030	43,771
.....	.....	.....	.....	6,351	2,888	414	28	3	.....	.....	.....	409	30
11,494	10,538	4,698	5,488	22,764	26,274	41,841	41,945	7,251	7,766	2,156	479	34,534	34,235
63,182	47,953	.....	.....	3,200	1,300	89,688	88,094	88,948	86,763	.....	.....	740	1,331
62,016	60,570	.....	.....	282,851	243,810	345,743	318,811	74,581	74,023	.....	.....	271,162	244,788
70,986	67,578	6,144	9,277	45,764	51,253	12,843	13,268	10,720	10,192	.....	.....	2,423	3,074
569	580	55,261	34,505	125,223	94,453	15,942	8,776	302	127	10,976	4,474	15,636	8,649

Richmond, Va.	17,358	15,620	10,867	10,842	2,008	1,743	6,491	4,778	11,648	11,244	8,457	8,394
St. Joseph, Mo.	511,036	500,390	336,028	321,765	105,888	92,382	174,317	178,539	86,784	89,274	72,612	69,166
San Antonio, Tex.	94,635	88,703	38,165	27,175	36,794	40,159	56,446	61,606	51,939	62,878	32,545	31,189
Seattle, Wash.	42,712	42,360	41,211	40,397	.....	.....	1,501	1,963	3,452	3,717	33,396	3,665
Sioux City, Iowa	750,133	777,776	377,751	396,132	249,704	261,046	371,628	381,332	62,609	61,469	24,984	23,388
Sioux Falls, S. Dak.	46,985	67,380	22,054	30,450	22,893	29,524	24,865	37,049	9,040	11,734	1,013	1,064
South St. Paul, Minn	917,362	878,509	495,114	455,927	290,929	273,012	413,614	413,978	572,553	546,459	566,681	542,039
S. San Francisco, Calif.	70,540	72,580	41,992	39,103	431	290	28,540	33,484	8,118	6,070	5,873	2,997
Spokane, Wash.	38,459	26,786	23,841	14,935	8,122	4,474	14,632	11,698	5,385	3,923	3,765	2,340
Springfield, Ill.	2,171	2,602	783	911	39	74	1,393	1,656	4,849	5,583	1,831	1,503
Springfield, Mo.	15,914	13,075	4,663	1,406	3,399	2,324	11,251	11,669	31,304	28,849	6,522	816
Springfield, Ohio	1,377	1,011	636	369	.....	.....	759	639	3,842	3,817	1,879	1,062
Toledo, Ohio	14,583	15,771	6,202	7,766	7,107	6,833	8,423	8,045	5,022	5,087	4,328	4,800
Washington, D. C.	12,745	10,125	12,695	10,125	50	.....	50	.....	11,594	9,271	11,594	9,271
Wichita, Kans.	315,667	239,799	88,580	78,688	181,932	148,806	227,087	175,393	78,474	91,221	27,878	23,209
Discontinued	9,542	2,699	2,205	1,291	96	11	7,328	1,403	6,429	3,894	2,125	1,596
Total	15,188,674	14,293,767	7,925,165	7,659,618	3,562,407	3,249,614	7,046,612	6,480,161	6,289,309	6,086,233	4,383,861	4,208,292
Increase or decrease	.....	—894,907	.....	—265,547	.....	—312,793	.....	—566,451	.....	—203,076	.....	—175,569
Percentage	.....	—5.9	.....	—3.4	.....	—8.8	.....	—8.0	.....	—3.2	.....	—4.0
5-year average, 1924–1928	.....	16,554,221	.....	8,941,270	.....	3,537,132	.....	7,375,090	.....	6,620,749	.....	4,744,544
Increase or decrease	.....	—2,260,454	.....	—1,281,652	.....	—287,518	.....	—894,929	.....	—534,516	.....	—536,252
Percentage	.....	—13.7	.....	—14.3	.....	—8.1	.....	—12.1	.....	—8.1	.....	—11.3

[1] Calves included with cattle.
[2] Disposition of stock not reported.
NOTE.—This report represents the total livestock movement at the specified stockyards including through shipments. Direct shipments to packers are included only when such shipme

0,867	10,842	2,008	1,743	6,491	4,778	11,648	11,244	8,457	8,394	.....	.....	3,191	2,850
6,028	321,765	105,888	92,382	174,317	178,539	86,784	89,274	72,612	69,166	10,488	16,516	14,370	20,091
8,165	27,175	36,794	40,159	56,446	61,606	51,939	62,878	32,545	31,189	11,468	19,054	19,397	31,689
1,211	40,397	.....	.....	1,501	1,963	3,452	3,717	33,396	3,665	.....	.....	56	52
7,751	396,132	249,704	261,046	371,628	381,332	62,609	61,469	24,984	23,388	34,764	34,054	37,606	38,010
2,054	30,450	22,893	29,524	24,865	37,049	9,040	11,734	1,013	1,064	7,797	10,001	8,065	10,702
5,114	455,927	290,929	273,012	413,614	413,978	572,553	546,459	566,681	542,039	7,010	11,488	9,706	15,063
1,992	39,103	431	290	28,540	33,484	8,118	6,070	5,873	2,997	.....	1	2,245	3,073
3,841	14,935	8,122	4,474	14,632	11,698	5,385	3,923	3,765	2,340	754	925	1,606	1,601
783	911	39	74	1,393	1,656	4,849	5,583	1,831	1,503	62	100	3,021	4,047
4,663	1,406	3,399	2,324	11,251	11,669	31,304	28,849	6,522	816	1,375	999	24,782	28,033
636	369	.....	.....	759	639	3,842	3,817	1,879	1,062	.....	.....	1,964	2,764
6,202	7,766	7,107	6,833	8,423	8,045	5,022	5,087	4,328	4,800	.....	.....	705	285
2,695	10,125	50	.....	50	.....	11,594	9,271	11,594	9,271	.....	.....	.....	.....
8,580	78,688	181,932	148,806	227,087	175,393	78,474	91,221	27,878	23,209	22,553	40,630	50,587	55,203
2,205	1,291	96	11	7,328	1,403	6,429	3,894	2,125	1,596	.....	.....	4,308	2,298
5,165	7,659,618	3,562,407	3,249,614	7,046,612	6,480,161	6,289,309	6,086,233	4,383,861	4,208,292	403,225	401,187	1,963,908	1,899,128
.....	—265,547	.....	—312,793	.....	—566,451	.....	—203,076	.....	—175,569	.....	—2,038	.....	—64,780
.....	—3.4	.....	—8.8	.....	—8.0	.....	—3.2	.....	—4.0	.....	—0.5	.....	—3.3
.....	8,941,270	.....	3,537,132	.....	7,375,090	.....	6,620,749	.....	4,744,544	.....	281,635	.....	1,968,162
.....	—1,281,652	.....	—287,518	.....	—894,929	.....	—534,516	.....	—536,252	.....	119,552	.....	—69,034
.....	—14.3	.....	—8.1	.....	—12.1	.....	—8.1	.....	—11.3	.....	42.4	.....	—3.5

ement at the specified stockyards including through shipments. Direct shipments to packers are included only when such shipments pass through the stockyards.

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Receipts and Disposition of Livestock at Public Stockyards for 1928 and 1929—Continued
[65 Markets]

Markets	Hogs								Sheep			
	Receipts		Local slaughter		Stocker and feeder shipments		Total shipments		Receipts		Local slaughter	
	1928	1929	1928	1929	1928	1929	1928	1929	1928	1929	1928	1929
Amarillo, Tex	84,027	155,866	.....	.....	.....	.....	84,027	155,866	114,713	222,599	.....	.....
Atlanta, Ga	111,562	44,943	77,930	15,890	.....	.....	33,605	29,108	3,106	582	901	4
Augusta, Ga	4,612	2,729	4,612	2,729	.....	.....	.....	.....	.....	.....	.....	.....
Baltimore, Md	1,199,208	1,093,031	1,023,757	938,166	.....	.....	175,451	154,865	373,611	410,425	107,557	112,3
Boston, Mass	19,033	26,730	(1)	(1)	(1)	(1)	(1)	(1)	7,641	8,580	(1)	(1)
Buffalo, N. Y	1,025,769	853,982	490,006	392,666	406	81	534,433	462,404	994,057	978,404	154,030	164,6
Chattanooga	27,087	29,518	27,087	29,518	.....	.....	.....	.....	1,122	3,180	948	1,7
Cheyenne, Wyo	180,800	115,771	.....	.....	.....	.....	180,800	115,771	104,460	54,536	.....	.....
Chicago, Ill	8,539,405	8,192,951	6,394,409	6,361,707	979	396	2,144,996	1,831,244	3,867,882	3,784,863	2,740,157	2,667,1
Cincinnati	1,567,309	855,764	1,040,187	527,350	.....	6	527,122	328,414	210,839	183,339	65,869	63,2
Cleveland	753,716	621,527	565,039	438,263	.....	.....	188,677	183,264	416,188	407,188	217,497	203,3
Dallas, Tex	66,269	83,327	65,619	83,552	.....	.....	184	.....	1,521	5,817	1,498	5,8
Dayton, Ohio	129,485	121,316	84,974	81,624	.....	.....	44,511	39,692	9,986	8,888	5,847	7,0
Denver, Colo	567,227	538,524	462,971	418,063	16,309	18,300	100,839	121,211	2,295,034	2,290,395	213,661	239,6
Detroit, Mich	471,537	409,850	305,649	294,395	1	.....	165,888	115,455	451,450	533,192	265,214	273,0
East St. Louis	4,036,266	3,865,456	1,050,388	1,098,312	30,408	25,033	2,985,878	2,767,144	510,225	534,370	319,274	332,8
El Paso, Tex	42,760	46,328	38,260	41,405	1,601	721	4,560	4,923	170,329	187,810	10,694	13,7
Evansville, Ind	305,358	226,801	150,491	112,898	11,069	9,851	154,852	113,900	25,118	29,655	23,095	25,1
Fort Wayne	112,373	105,336	23,938	25,269	3,113	4,594	88,330	80,001	25,509	26,645	841	3
Fort Worth	431,635	401,740	392,281	348,476	2,135	6,421	26,732	53,264	457,788	539,687	213,476	281,7
Indianapolis	2,260,804	2,145,407	1,205,795	1,016,585	14,068	8,394	1,055,162	1,128,723	224,694	269,728	82,796	97,2
Jacksonville	38,657	40,227	10,776	14,506	695	386	28,092	25,702	264	468	139	
Jersey City	241,333	115,365	241,333	115,365	.....	.....	.....	.....	1,426,322	1,536,789	1,426,322	1,536,7
Kansas City, Mo	2,391,016	2,476,307	1,706,286	1,454,334	104,841	104,097	674,926	1,011,471	1,767,007	1,752,882	1,270,207	1,290,1
Knoxville	33,753	34,015	33,505	34,015	140	.....	248	.....	881	2,224	881	1,6
La Fayette, Ind	129,895	131,105	57,235	53,775	3,290	1,586	72,486	77,573	6,117	7,653	990	9
Lancaster, Pa	84,084	86,340	52,074	56,180	.....	.....	32,010	30,160	29,093	23,539	4,683	6,4
Laredo, Tex	3,112	4,493	3,108	4,445	.....	.....	4	48	10,635	11,336	6,925	11,0
Los Angeles	299,208	217,449	295,603	214,833	3,140	2,050	3,140	2,059	40,733	69,828	40,066	68,4
Louisville, Ky	400,369	313,660	252,157	224,414	4,005	2,753	148,212	89,246	198,908	162,340	30,410	25,6
Marion, Ohio	49,416	54,328	89	549	2,491	2,020	49,274	53,762	8,299	7,416	50	
Memphis, Tenn	71,553	81,416	51,276	62,409	17,273	14,842	20,165	18,962	3,507	1,125	473	
Milwaukee	502,393	604,088	491,946	585,752	329	259	10,447	18,336	53,973	73,989	44,274	58,6
Montgomery	58,231	48,765	5,682	7,055	1,458	3,487	52,610	41,530	7,364	6,635	106	
Moultrie, Ga	70,206	76,328	52,009	62,612	3,052	4,050	18,095	13,829	.....	.....	.....	.....
Muncie, Ind	125,421	147,774	39,939	41,545	2,502	757	85,499	106,252	17,219	31,496	162	
Nashville	235,033	188,174	60,077	75,660	.....	.....	174,956	112,514	149,680	155,321	18,229	21,4
Newark, N. J	602,907	477,634	603,057	477,162	25	.....	25	.....	66,535	77,309	66,535	77,3
New Orleans	49,055	47,749	37,718	32,813	8,342	4,948	10,728	14,470	2,472	1,726	1,242	
New York	1,202,072	1,233,384	1,202,072	1,233,384	.....	.....	.....	.....	379,010	420,698	379,010	420,6
North Salt Lake, Utah	368,758	319,112	57,426	54,984	.....	100	311,332	264,126	681,413	629,742	13,219	11,9
Ogden, Utah	250,222	274,686	57,325	57,580	2,456	2,455	192,897	217,106	1,525,607	1,759,000	2,555	7,9
Oklahoma City, Okla	441,026	460,280	383,625	388,514	7,531	4,844	57,035	71,614	16,818	25,262	10,383	18,1
Omaha, Nebr	3,179,211	3,165,793	2,169,271	2,276,740	38,711	29,261	1,011,279	888,093	3,037,119	3,030,619	1,740,236	1,698,6
Pasco, Wash	13,848	12,182	.....	.....	.....	.....	13,840	12,159	51,619	73,363	.....	.....
Peoria, Ill	739,240	749,859	132,060	137,571	17,482	13,654	606,996	612,110	19,226	14,182	1,003	1,0
Philadelphia	289,002	285,141	275,166	270,400	.....	.....	13,836	14,741	235,380	256,762	232,262	256,0
Pittsburgh, Pa	2,201,813	2,040,910	519,401	473,551	.....	.....	1,682,412	1,567,359	986,076	1,075,487	108,450	109,8
Portland, Oreg	304,527	269,755	204,815	173,565	19,855	20,075	99,713	96,181	140,028	141,233	80,229	77,9
Pueblo, Colo	19,469	26,005		20		745	19,021	26,494	849,709	709,494		

Receipts and Disposition of Livestock at Public Stockyards for 1928 and 1929—Continued
[65 Markets]

Hogs						Sheep and lambs							
Local slaughter		Stocker and feeder shipments		Total shipments		Receipts		Local slaughter		Stocker and feeder shipments		Total shipments	
1928	1929	1928	1929	1928	1929	1928	1929	1928	1929	1928	1929	1928	1929
.....	.....	.....	.....	84,027	155,866	114,713	222,599	.....	.....	75,057	177,970	114,713	222,599
77,930	15,890	.....	.....	33,605	29,108	3,106	582	901	449	.....	.....	2,200	133
4,612	2,729	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
023,757	938,166	.....	.....	175,451	154,865	373,611	410,425	107,557	112,364	1,594	1,362	266,054	298,061
(1)	(1)	(1)	(1)	(1)	(1)	7,641	8,580	(1)	(1)	(1)	(1)	(1)	(1)
490,006	392,666	406	81	534,433	462,404	994,057	978,404	154,030	164,697	7,761	9,060	840,840	813,410
27,087	29,518	.....	.....	.....	.....	1,122	3,180	948	1,744	174	1,436	174	1,436
.....	.....	.....	.....	180,800	115,771	104,460	54,536	.....	.....	.....	.....	104,460	54,536
394,409	6,361,707	979	396	2,144,996	1,831,244	3,867,882	3,784,863	2,740,157	2,667,183	436,468	523,676	1,127,725	1,117,680
040,187	527,350	.....	6	527,122	328,414	210,839	183,339	65,869	63,251	5,082	6,923	144,970	120,088
565,039	438,263	.....	.....	188,677	183,264	416,188	407,188	217,497	203,324	3,924	4,464	198,691	203,864
65,619	83,552	.....	.....	184	.....	1,521	5,817	1,498	5,804	.....	.....	22	.....
84,974	81,624	.....	.....	44,511	39,692	9,986	8,888	5,847	7,030	.....	.....	4,139	1,858
462,971	418,063	16,309	18,300	100,839	121,211	2,295,034	2,290,395	213,661	239,605	1,046,840	1,191,550	2,073,933	2,057,126
305,649	294,395	1	.....	165,888	115,455	451,450	533,192	265,214	273,030	16,030	11,644	186,236	260,162
950,388	1,098,312	30,108	25,033	2,985,878	2,767,144	510,225	534,370	319,274	332,877	4,978	5,697	190,951	201,493
38,200	41,405	1,601	721	4,560	4,923	170,329	187,810	10,694	13,780	72,195	71,743	159,578	174,030
150,491	112,898	11,069	9,851	154,852	113,900	25,118	29,655	23,095	25,136	1,410	2,185	2,024	4,518
23,938	25,269	3,113	4,594	88,330	80,001	25,509	26,645	841	355	3,697	3,950	24,608	26,357
392,281	348,476	2,135	6,421	26,732	53,264	457,788	539,687	213,476	281,742	81,139	83,814	237,000	257,947
005,795	1,016,585	14,068	8,394	1,055,162	1,128,723	224,694	269,728	82,796	97,280	22,620	21,102	141,898	172,448
10,776	14,506	695	386	28,092	25,702	264	468	139	14	120	26	125	454
241,333	115,365	.....	.....	.....	.....	1,426,322	1,536,789	1,426,322	1,536,789	.....	.....	.....	.....
706,286	1,454,334	104,841	104,097	674,926	1,011,471	1,767,007	1,752,882	1,270,207	1,290,177	350,675	261,722	507,464	457,842
33,505	34,015	140	.....	248	.....	881	2,224	881	1,552	.....	70	.....	672
57,235	53,775	3,290	1,586	72,486	77,573	6,117	7,653	990	907	751	1,020	5,114	6,758
52,074	56,180	.....	.....	32,010	30,160	29,093	23,539	4,683	6,410	.....	.....	24,410	17,129
8,108	4,445	.....	.....	4	48	10,635	11,336	6,925	11,026	.....	.....	3,710	310
195,603	214,833	3,140	2,050	3,140	2,059	40,733	69,828	40,066	68,456	665	1,584	665	1,584
252,157	224,414	4,005	2,753	148,212	89,246	198,908	162,340	30,410	25,652	42,140	17,000	168,498	136,688
89	549	2,491	2,020	49,274	53,762	8,299	7,416	50	144	1,195	939	8,222	7,297
51,276	62,409	17,273	14,842	20,165	18,962	3,507	1,125	473	542	942	374	3,025	535
191,946	585,752	329	259	10,447	18,336	53,973	73,989	44,274	58,626	260	.....	9,699	15,340
5,682	7,055	1,458	3,487	52,610	41,530	7,364	6,635	106	134	589	583	7,258	6,501
52,009	62,612	3,052	4,050	18,095	13,829	.....	.....	.....	.....	.....	.....	.....	.....
39,939	41,545	2,502	757	85,499	106,252	17,219	31,496	162	52	1,695	460	17,057	31,406
60,077	75,660	.....	.....	174,956	112,514	149,680	155,321	18,229	21,425	1,295	.....	131,451	133,919
03,057	477,162	25	.....	25	.....	66,535	77,309	66,535	77,169	.....	.....	.....	.....
37,718	32,813	8,342	4,948	10,728	14,470	2,472	1,726	1,242	857	842	791	1,210	862
02,072	1,233,384	.....	.....	.....	.....	379,010	420,698	379,010	420,675	.....	.....	.....	23
57,426	54,984	.....	100	311,332	264,126	681,413	629,742	13,219	11,976	317,390	339,987	668,447	617,606
57,325	57,580	2,456	2,455	192,897	217,106	1,525,607	1,759,000	2,555	7,990	629,016	692,701	1,523,052	1,751,010
83,625	388,514	7,531	4,844	57,035	71,614	16,818	25,262	10,383	18,154	2,725	1,595	6,414	6,959
69,271	2,276,740	38,711	29,261	1,011,279	888,093	3,037,119	3,030,619	1,740,236	1,698,627	934,441	975,666	1,294,549	1,333,654
.....	.....	.....	.....	13,840	12,159	51,619	73,363	.....	.....	.....	.....	51,458	73,014
32,060	137,571	17,482	13,654	606,996	612,110	19,226	14,182	1,003	1,031	10,376	5,022	18,253	13,028
75,166	270,400	.....	.....	13,836	14,741	235,380	256,762	232,262	256,088	.....	.....	3,118	674
19,401	473,551	.....	.....	1,682,412	1,567,359	986,076	1,075,487	108,450	109,839	.....	.....	877,626	965,648
04,815	173,565	19,855	20,075	99,713	96,181	140,028	141,233	80,229	77,987	8,530	8,863	59,792	63,341
.....	20	.....	745	19,021	26,404	849,708	792,464	.....	.....	315,127	304,069	849,835	792,080
35,250	930,941	2,452	2,281	5,733	5,222	11,201	11,202	1,000	1,000	1,000	1,000	1,000	1,000

Portland, Oreg.	304,527	269,755	204,815	173,565	19,855	20,075	99,713	96,181	140,028	141,233	80,229	77,
Pueblo, Colo.	19,469	26,005	.....	20	.....	745	19,021	26,404	849,708	792,464	.....	.....
Richmond, Va.	265,071	255,191	265,359	230,341	2,178	2,261	9,712	24,850	11,941	11,875	7,577	8,
St. Joseph, Mo.	1,724,011	1,626,641	1,280,543	1,199,514	38,309	24,156	442,644	427,172	1,579,572	1,635,607	1,150,004	1,166,
San Antonio	77,290	86,222	64,973	68,034	4,412	6,317	12,318	18,202	30,397	49,002	5,607	7,
Seattle, Wash.	241,104	222,643	229,905	207,157	8,407	9,975	11,199	15,486	72,463	72,582	70,319	69,
Sioux City	2,753,953	2,313,212	1,629,994	1,524,165	94,447	66,013	1,121,268	789,133	568,477	840,492	410,365	585,
Sioux Falls, S. Dak.	364,197	464,889	98,527	106,845	7,059	8,538	265,854	357,154	8,179	7,624	696	1,
South St. Paul	2,902,448	2,868,883	2,030,495	2,054,329	223,664	167,498	859,718	811,910	890,762	1,139,073	467,993	550,
S. San Francisco	253,453	259,029	195,638	188,882	1,349	1,223	57,815	70,147	210,684	237,212	144,570	152,
Spokane, Wash.	127,475	64,778	68,974	38,809	8,227	4,753	58,495	25,862	48,736	29,220	8,135	9,
Springfield, Ill.	103,263	159,333	3,941	3,958	3,514	3,571	99,307	155,335	2,022	2,491	377	
Springfield, Mo.	134,907	122,435	25,445	12,892	16,184	10,697	109,462	109,543	13,876	14,613	37	
Springfield, Ohio	72,803	62,196	5,593	7,711	.....	.....	67,195	54,552	10,438	7,203	945	
Toledo, Ohio	98,435	95,009	25,920	28,324	717	716	72,365	666,07	7,120	8,993	2,208	2,
Washington, D. C.	190,277	148,169	190,277	148,169	.....	.....	.....	.....	11,478	9,195	11,478	9,
Wichita, Kans.	798,691	832,637	763,754	790,613	8,676	30,797	34,937	60,007	140,167	140,424	70,061	84,
Discontinued markets.	88,478	63,901	4,969	6,100	.....	.....	83,509	57,727	14,664	8,112	119	
Total	46,526,928	43,564,383	29,282,671	27,426,444	734,550	622,681	17,191,125	16,114,734	25,597,262	26,834,489	12,252,887	12,841,
Increase or decrease	.....	−2,962,545	.....	−1,856,227	.....	−111,869	.....	−1,076,391	.....	+1,237,227	.....	+588,
Percentage	.....	−6.4	.....	−6.3	.....	−15.2	.....	−6.3	.....	+4.8	.....	+4
5-year average, 1924-1928	.....	45,410,469	.....	28,612,539	.....	720,329	.....	16,775,185	.....	23,541,128	.....	11,179,
Increase or decrease	.....	−1,846,086	.....	−1,186,095	.....	−97,648	.....	−660,451	.....	+3,293,361	.....	+1,661,
Percentage	.....	−4.1	.....	−4.1	.....	−13.6	.....	−3.9	.....	+14.0	.....	+1

[1] Disposition of stock not reported.

NOTE.—This report represents the total livestock movement at the specified stockyards, including through shipments. Direct shipments to packers are included only when such sh

04,815	173,565	19,855	20,075	99,713	96,181	140,028	141,233	80,229	77,987	8,530	8,863	59,792	63,341
.....	20	.....	745	19,021	26,404	849,708	792,464	.....	.....	315,127	304,069	849,835	792,080
65,359	230,341	2,178	2,261	9,712	24,850	11,941	11,875	7,577	8,677	1,350	536	4,364	3,198
80,543	1,199,514	38,309	24,156	442,644	427,172	1,579,572	1,635,607	1,150,004	1,166,824	328,785	381,060	429,493	467,119
64,973	68,034	4,412	6,317	12,318	18,202	30,397	49,002	5,607	7,984	16,892	27,672	24,790	41,018
29,905	207,157	8,407	9,975	11,199	15,486	72,463	72,582	70,319	69,034	115	.....	2,144	3,548
29,994	1,524,165	94,447	66,013	1,121,268	789,133	568,477	840,492	410,365	585,505	102,448	228,748	158,102	254,857
98,527	106,845	7,059	8,538	265,856	357,154	8,179	7,624	696	1,141	1,041	1,496	7,483	6,478
30,495	2,054,329	223,664	167,498	859,718	811,910	890,762	1,139,073	467,993	550,092	110,126	136,217	415,473	582,441
95,638	188,882	1,349	1,223	57,815	70,147	210,684	237,212	144,570	152,264	3,003	7,383	66,095	84,416
68,974	38,809	8,227	4,753	58,495	25,862	48,736	29,220	8,135	9,314	11,567	14,993	40,597	18,907
3,941	3,958	3,514	3,571	99,307	155,335	2,022	2,491	377	666	85	11	1,649	1,801
25,445	12,892	16,184	10,697	109,462	109,543	13,876	14,613	37	33	1,748	59	13,839	14,580
5,593	7,711	.....	.....	67,195	54,552	10,438	7,203	945	965	.....	.....	9,586	6,252
25,920	28,324	717	716	72,365	666,07	7,120	8,993	2,208	2,454	.....	.....	5,003	6,536
90,277	148,169	.....	.....	.....	.....	11,478	9,195	11,478	9,195	.....	.....	.....	.....
63,754	790,613	8,676	30,797	34,937	60,007	140,167	140,424	70,061	84,997	36,257	37,894	70,106	51,224
4,969	6,100	.....	.....	83,509	57,727	14,664	8,112	119	30	.....	.....	14,547	8,082
82,671	27,426,444	734,550	622,681	17,191,125	16,114,734	25,597,262	26,834,489	12,252,887	12,841,125	5,011,160	5,565,118	13,323,939	13,972,537
.....	−1,856,227	.....	−111,869	.....	−1,076,391	.....	+1,237,227	.....	+588,238	.....	+553,958	.....	+648,598
.....	−6.3	.....	−15.2	.....	−6.3	.....	+4.8	.....	+4.8	.....	+11.1	.....	+4.9
.....	28,612,539	.....	720,329	.....	16,775,185	.....	23,541,128	.....	11,179,520	.....	4,709,100	.....	12,352,041
.....	−1,186,095	.....	−97,648	.....	−660,451	.....	+3,293,361	.....	+1,661,605	.....	+856,018	.....	+1,620,496
.....	−4.1	.....	−13.6	.....	−3.9	.....	+14.0	.....	+14.9	.....	+18.2	.....	+13.1

ovement at the specified stockyards, including through shipments. Direct shipments to packers are included only when such shipments pass through the stockyards.

[fol. 1368]

PETITIONER'S EXHIBIT No. 57

Oscar F. Mayer & Company, Chicago, Ill.

	Net worth	Sales	Profits	% earned on Net worth	% earned on Sales
1922	$2,501,286	$10,012,038	$133,713	5.15	1.33
1923	2,579,394	8,591,063	176,974	7.09	2.05
1924	2,624,867	11,180,488	158,261	6.10	1.41
1925	2,702,529	13,447,194	192,963	7.49	1.44
1926	2,980,481	17,766,937	313,706	11.62	1.77
1927	2,988,501	18,692,055	106,009	3.66	.57
1928	3,163,626	21,630,513	290,737	9.69	1.35
1922 to 1928				7.05	1.35

(Pages 1 and 2 of Petitioner's Exhibit 69 follow, side folios 1369, 1370, and 1371.)

[fol. 1369]

PETITIONER'S EXHIBIT 69

Financial Record Twelve Grocery Chains as Reported by Moody's Manual of Industrials

[fol. 1370]

PETITIONER'S EXHIBIT 69, PAGE 1

Sales, Earnings and Number of Stores of Twelve Grocery Chains During the Period 1920 to 1930 as Reported by Moody's Manual of Industrials

Sales (In Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1
The Great Atlantic & Pacific Tea Co.	$235,303	$202,434	$246,941	$302,889	$352,093	$420,000	$500,000	$700,000	$97
The Kroger Grocery & Baking Co.	50,706	44,851	53,754	74,339	90,125	116,235	146,009	161,261	20
Safeway Stores, Inc.	.....	.....	12,468	19,947	28,532	38,692	50,537	69,574	10
The American Stores Co.	103,059	86,068	85,866	94,580	98,179	108,886	116,902	120,665	13
First National Stores, Inc.	.....	.....	.....	.....	.....	48,977	59,038	64,446	7
The National Tea Co.	18,706	16,283	20,632	31,292	39,059	47,451	53,658	58,801	8
MacMarr Stores, Inc.	.....	.....	.....	.....	.....	.....	.....	58,007	7
The Grand Union Co.	.....	.....	.....	.....	.....	27,601	26,240	30,041	3
Daniel Reeves, Inc.	.....	.....	.....	.....	.....	.....	25,821	28,895	3
H. C. Bohack Co., Inc.	11,988	12,493	15,317	16,673	18,703	19,395	21,159	24,734	2
Loblaw Grocerterias Co., Ltd.	.....	695	1,830	3,137	5,066	6,135	7,717	10,517	1
David Pender Grocery Co.	.....	.....	.....	.....	6,825	7,862	10,722	12,599	1
	$419,762	$362,824	$436,808	$542,857	$638,582	$841,234	$1,017,803	$1,239,630	$1,77

(Net income) Earnings Available for Dividends (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	
The Great Atlantic & Pacific Tea Co.	$2,521	.....	$6,367	$8,181	$11,564	$11,974	$13,984	$18,411	$
The Kroger Grocery & Baking Co.	673	$ 1,052	2,061	2,209	3,186	3,328	4,132	4,377	
Safeway Stores, Inc.	.....	.....	372	747	1,131	1,308	1,481	1,907	
The American Stores Co.	2,249	.....	.....	.....	.....	6,446	7,693	6,622	
First National Stores, Inc.	.....	.....	.....	.....	.....	1,761	2,449	1,593	
The National Tea Co.	167	534	957	1,089	1,473	1,570	1,585	1,996	
MacMarr Stores, Inc.	.....	.....	.....	.....	.....	.....	.....	1,494	
The Grand Union Co.	.....	.....	.....	.....	.....	312	411	541	
Daniel Reeves, Inc.	.....	.....	.....	.....	.....	.....	693	721	
H. C. Bohack Co., Inc.	.....	.....	338	473	407	339	273	580	
Loblaw Grocerterias Co., Ltd.	.....	17	67	125	212	247	360	578	
David Pender Grocery Co.	.....	.....	.....	.....	124	202	292	321	
	$5,610	$1,603	$10,162	$12,824	$18,097	$27,487	$33,333	$39,141	$
Percent Earned on Sales**									
Weighted average on companies reported	(4)1.37	(3)2.59	(6)2.90	(6)2.86	(7)3.35	(10)3.27	(11)3.27	(12)2.92	(

Number of Stores at the End of Each Year*

	1920	1921	1922	1923	1924	1925	1926	1927	
The Great Atlantic & Pacific Tea Co.	4544 G	5088 G	5088 G	9000 G	12000 G	14000 G	15000 (73)	.....	
The Kroger Grocery & Baking Co.	.....	1125 (495)	1413 (611)	1874 (816)	2127 (980)	2856 (1279)	3369 (1423)	3749 (1675)	52
Safeway Stores, Inc.	.....	.....	.....	.....	.....	.....	784 (122)	970 (248)	20
The American Stores Co.	1223 G	1223 G	1223 G	1152 G	1214 G	1792 M	1983 M	2133 M	25
First National Stores, Inc.	.....	.....	.....	.....	.....	.....	.....	1717 (66)	24
The National Tea Co.	143 D	261 D	295 D	514 D	598 D	761 D	840 D	1237 D	16
MacMarr Stores, Inc.	.....	.....	.....	.....	.....	.....	818 D	1037 D	12
The Grand Union Co.	.....	.....	.....	.....	.....	.....	.....	.....	6
Daniel Reeves, Inc.	.....	.....	.....	.....	.....	518 G	551 G	634 G	6
H. C. Bohack Co., Inc.	.....	.....	225 D	254 D	324 M	352 M	391 M	417 M	4
Loblaw Grocerterias Co., Ltd.	.....	.....	.....	.....	.....	36 G	47 G	115 G	1
David Pender Grocery Co.	.....	.....	.....	.....	.....	280 G	324 G	371 G	3
	5910	7697	8244	12794	16263	20595	25107	28380	333

*Figures shown in parentheses indicate the number of fresh meat departments operated.
Where number of fresh meat departments are not shown:
(G) Means reported to operate grocery stores only.
(M) Means reported to operate grocery and fresh meat stores.
(D) Means does not show clearly whether company sells fresh meats.

**Figures in parenthesis indicate number of companies included in arriving at percentages.

PETITIONER'S EXHIBIT 69

Financial Record Twelve Grocery Chains as Reported by Moody's Manual of Industrials

PETITIONER'S EXHIBIT 69, PAGE 1

Sales, Earnings and Number of Stores of Twelve Grocery Chains During the Period 1920 to 1930 as Reported by Moody's Manual of Industrials

Sales (In Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929
Pacific Tea Co.	$235,303	$202,434	$246,941	$302,889	$352,093	$420,000	$500,000	$700,000	$972,799	$1,053,693
Baking Co.	50,706	44,851	53,754	74,339	90,125	116,235	146,009	161,261	207,373	286,611
	.....	.....	12,468	19,947	28,532	38,692	50,537	69,574	103,304	213,496
Co.	103,059	86,068	85,866	94,580	98,179	108,886	116,902	120,665	137,312	143,346
Inc.	.....	.....	.....	.....	.....	48,977	59,038	64,446	75,885	107,635
	18,706	16,283	20,632	31,292	39,059	47,451	53,658	58,801	85,882	90,210
	.....	.....	.....	.....	.....	.....	.....	58,007	75,919	87,238
	.....	.....	.....	.....	.....	27,601	26,240	30,041	31,972	36,943
	.....	.....	.....	.....	.....	.....	25,821	28,895	31,569	33,767
	11,988	12,493	15,317	16,673	18,703	19,395	21,159	24,734	26,168	28,866
o., Ltd.	.....	695	1,830	3,137	5,066	6,135	7,717	10,517	13,975	16,553
Co.	.....	.....	.....	.....	6,825	7,862	10,722	12,599	14,519	15,921
	$419,762	$362,824	$436,808	$542,857	$638,582	$841,234	$1,017,803	$1,239,630	$1,776,677	$2,114,279

(Net income) Earnings Available for Dividends (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929
Pacific Tea Co.	$2,521	.....	$6,367	$8,181	$11,564	$11,974	$13,984	$18,411	$24,221	$26,220
Baking Co.	673	$ 1,052	2,061	2,209	3,186	3,328	4,132	4,377	5,324	5,919
	.....	.....	372	747	1,131	1,308	1,481	1,907	3,505	6,147
Co.	2,249	.....	.....	.....	.....	6,446	7,693	6,622	5,571	6,595
Inc.	.....	.....	.....	.....	.....	1,761	2,449	1,593	2,905	4,773
	167	534	957	1,089	1,473	1,570	1,585	1,996	2,822	2,731
	.....	.....	.....	.....	.....	.....	.....	1,494	2,048	2,174
	.....	.....	.....	.....	.....	312	411	541	568	1,021
	.....	.....	.....	.....	.....	.....	693	721	857	1,128
	.....	.....	338	473	407	339	273	580	593	900
o., Ltd.	.....	17	67	125	212	247	360	578	734	849
Co.	.....	.....	.....	.....	124	202	292	321	391	288
	$5,610	$1,603	$10,162	$12,824	$18,097	$27,487	$33,333	$39,141	$49,539	$58,745
s**										
ompanies reported	(4)1.37	(3)2.59	(6)2.90	(6)2.86	(7)3.35	(10)3.27	(11)3.27	(12)2.92	(12)2.79	(12)2.78

Number of Stores at the End of Each Year*

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929
Pacific Tea Co.	4544 G	5088 G	5088 G	9000 G	12000 G	14000 G	16000 (73)	.....	.....	15000 M
Baking Co.	.....	1125 (495)	1413 (611)	1874 (816)	2127 (980)	2856 (1279)	3369 (1423)	3749 (1675)	5260 M	5575 M
	.....	.....	.....	.....	.....	.....	784 (122)	970 (248)	2020 (855)	2660 (1366)
Co.	1223 G	1223 G	1223 G	1152 G	1214 G	1792 M	1983 M	2133 M	2546 M	2644 M
Inc.	.....	.....	.....	.....	.....	.....	.....	1717 (66)	2400 (125)	2659 M
	143 D	261 D	295 D	514 D	598 D	761 D	840 D	1237 D	1600 D	1627 D
	.....	.....	.....	.....	.....	.....	818 D	1037 D	1274 M	1394 (272)
	.....	.....	.....	.....	.....	.....	.....	.....	650 M	752 M
	.....	.....	.....	.....	.....	518 G	551 G	634 G	655 G	698 G
	.....	.....	225 D	254 D	324 M	352 M	391 M	417 M	461 M	504 (230)
o., Ltd.	.....	.....	.....	.....	.....	36 G	47 G	115 G	115 G	212 G
Co.	.....	.....	.....	.....	.....	280 G	324 G	371 G	396 G	410 (58)
	5910	7697	8244	12794	16263	20595	25107	28380	33377	34135

parentheses indicate the number of fresh meat departments operated.
fresh meat departments are not shown:
reported to operate grocery stores only.
reported to operate grocery and fresh meat stores.
does not show clearly whether company sells fresh meats.
thesis indicate number of companies included in arriving at percentages.

[fol. 1371]

PETITIONER'S EXHIBIT 69, PAGE 2

Total Assets and Total Stockholders' Investment of Twelve Grocery Chains During the Period 1920 to 1930, as Reported by Moody's Manual of Industrials

Total Assets (at the Beginning of Each Year)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929
The Great Atlantic & Pacific Tea Co.	$38,304	$32,897	$39,090	$45,968	$53,413	$64,962	$78,016	$92,366	$113,294	$132,740
The Kroger Grocery & Baking Co.	.....	9,153	9,983	11,999	14,074	16,496	19,199	21,619	24,492	57,114
Safeway Stores, Inc.	.....	.....	.....	.....	.....	.....	.....	9,094	13,088	32,652
The American Stores Co.	24,668	23,954	26,672	27,792	34,862	37,877	43,588	46,351	49,081	44,394
First National Stores, Inc.	.....	.....	.....	.....	.....	.....	.....	.....	14,161	13,958
The National Tea Co.	3,378	3,522	4,842	5,834	9,850	12,075	14,767	16,273	20,377	23,705
MacMarr Stores, Inc.	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
The Grand Union Co.	.....	.....	.....	.....	.....	.....	.....	.....	8,555	12,435
Daniel Reeves, Inc.	.....	.....	.....	.....	.....	.....	.....	.....	.....	5,382
H. C. Bohack Co., Inc.	.....	.....	.....	.....	4,366	6,193	6,390	7,608	6,837	8,407
Loblaw Groceterias Co. Inc.	.....	.....	.....	.....	.....	.....	2,115	2,331	3,128	4,874
David Pender Grocery Co.	.....	.....	.....	.....	.....	1,354	1,520	2,341	2,495	2,778
	$66,350	$69,526	$80,587	$91,593	$116,565	$138,957	$165,595	$197,983	$255,508	$338,439
Percent Earned on Total Assets**										
Weighted average on companies reported.	(3)7.44	(2)12.51	(3)17.41	(3)17.99	(4)20.35	(6)17.89	(7)17.09	(8)17.57	(10)18.25	(11)16.72

Total Stockholders' Investment (Includes Capital Stock and Surplus at the Beginning of Each Year)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929
The Great Atlantic & Pacific Tea Co.	$22,491	$27,564	$33,861	$38,964	$45,582	$54,057	$61,470	$71,064	$85,011	$100,547
The Kroger Grocery & Baking Co.	.....	7,695	8,559	9,658	11,168	12,872	15,193	16,279	18,462	45,244
Safeway Stores, Inc.	.....	.....	.....	.....	.....	.....	.....	5,546	8,295	26,899
The American Stores Co.	17,829	19,295	20,606	23,352	31,528	35,353	39,982	43,467	46,670	40,665
First National Stores, Inc.	.....	.....	.....	.....	.....	.....	.....	.....	8,104	8,445
The National Tea Co.	2,620	2,617	2,986	3,792	6,898	8,105	10,956	11,627	13,838	15,884
MacMarr Stores, Inc.	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
The Grand Union Co.	.....	.....	.....	.....	.....	.....	.....	.....	6,067	10,878
Daniel Reeves, Inc.	.....	.....	.....	.....	.....	.....	.....	.....	.....	3,916
H. C. Bohack Co., Inc.	.....	.....	.....	.....	3,632	4,654	4,659	5,598	5,774	7,845
Loblaw Grocerterias Co., Inc.	.....	.....	.....	.....	.....	.....	1,549	1,786	2,446	3,938
David Pender Grocery Co.	.....	.....	.....	.....	.....	1,020	1,146	1,919	1,998	2,248
	$42,940	$57,171	$66,012	$75,766	$98,808	$116,061	$134,955	$157,286	$196,665	$266,509
Percent Earned on Stockholders' Investment**										
Weighted average on companies reported	(3)11.50	(2)15.38	(3)20.67	(3)21.90	(4)24.71	(6)21.42	(7)20.97	(8)22.12	(10)23.71	(11)21.23

**Figures in parentheses indicate number of companies included in arriving at percentages.

PETITIONER'S EXHIBIT 69, PAGE 2

Total Assets and Total Stockholders' Investment of Twelve Grocery Chains During the Period 1920 to 1930, as Reported by Moody's Manual of Industrials

Total Assets (at the Beginning of Each Year)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930
t Atlantic & Pacific Tea Co....	$38,304	$32,897	$39,090	$45,968	$53,413	$64,962	$78,016	$92,366	$113,294	$132,740	$147,391
er Grocery & Baking Co.....	.....	9,153	9,983	11,999	14,074	16,496	19,199	21,619	24,492	57,114	63,665
Stores, Inc.....	.....	.....	.....	.....	.....	.....	.....	9,094	13,088	32,652	47,715
rican Stores Co.....	24,668	23,954	26,672	27,792	34,862	37,877	43,588	46,351	49,081	44,394	47,955
ional Stores, Inc.....	.....	.....	.....	.....	.....	.....	.....	.....	14,161	13,958	17,314
onal Tea Co.....	3,378	3,522	4,842	5,834	9,850	12,075	14,767	16,273	20,377	23,705	27,639
Stores, Inc.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	15,550
d Union Co.....	.....	.....	.....	.....	.....	.....	.....	.....	8,555	12,435	13,017
eeves, Inc.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	5,382	5,802
hack Co., Inc.....	.....	.....	.....	.....	4,366	6,193	6,390	7,608	6,837	8,407	9,718
Groceterias Co. Inc.....	.....	.....	.....	.....	.....	.....	2,115	2,331	3,128	4,874	5,629
nder Grocery Co.....	.....	.....	.....	.....	.....	1,354	1,520	2,341	2,495	2,778	3,210
	$66,350	$69,526	$80,587	$91,593	$116,565	$138,957	$165,595	$197,983	$255,508	$338,439	$404,605
nt Earned on Total Assets**											
l average on companies reported.	(3)7.44	(2)12.51	(3)17.41	(3)17.99	(4)20.35	(6)17.89	(7)17.09	(8)17.57	(10)18.25	(11)16.72	

Total Stockholders' Investment (Includes Capital Stock and Surplus at the Beginning of Each Year)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930
t Atlantic & Pacific Tea Co....	$22,491	$27,564	$33,861	$38,964	$45,582	$54,057	$61,470	$71,064	$85,011	$100,547	$118,660
er Grocery & Baking Co.....	.....	7,695	8,559	9,658	11,168	12,872	15,193	16,279	18,462	45,244	51,723
Stores, Inc.....	.....	.....	.....	.....	.....	.....	.....	5,546	8,295	26,899	38,044
rican Stores Co.....	17,829	19,295	20,606	23,352	31,528	35,353	39,982	43,467	46,670	40,665	43,144
tional Stores, Inc.....	.....	.....	.....	.....	.....	.....	.....	.....	8,104	8,445	10,974
ional Tea Co.....	2,620	2,617	2,986	3,792	6,898	8,105	10,956	11,627	13,838	15,884	19,206
r Stores, Inc.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	11,860
nd Union Co.....	.....	.....	.....	.....	.....	.....	.....	.....	6,067	10,878	11,469
eeves, Inc.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	3,916	4,449
hack Co., Inc.....	.....	.....	.....	.....	3,632	4,654	4,659	5,598	5,774	7,845	8,914
Grocerterias Co., Inc.....	.....	.....	.....	.....	.....	.....	1,540	1,786	2,446	3,938	4,685
nder Grocery Co.....	.....	.....	.....	.....	.....	1,020	1,146	1,919	1,998	2,248	2,312
	$42,940	$57,171	$66,012	$75,766	$98,808	$116,061	$134,955	$157,286	$196,665	$266,509	$325,440
Earned on Stockholders' In-nt**											
l average on companies reported	(3)11.50	(2)15.38	(3)20.67	(3)21.90	(4)24.71	(6)21.42	(7)20.97	(8)22.12	(10)23.71	(11)21.23	

gures in parentheses indicate number of companies included in arriving at percentages.

Financial Record of the Great Atlantic & Pacific Tea Company of America* as Reported by Moody's Manual of Industrials

Year ending Feb. 28, following	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
1920	$235,302,887	1928	$2,520,940	1927	1.07%	$22,490,527	1923	11.73
1921	202,433,531	1928	Not reported	....	....	27,563,902	1923	.....
1922	246,940,873	1928	6,367,035	1927	2.58	33,860,524	1923	18.80
1923	302,889,369	1928	8,181,280	1927	2.70	38,963,761	1923	21.09
1924	352,093,342	1930	11,564,327	1930	3.28	45,582,440	1925	25.37
1925	Est. 420,000,000	1930	11,974,260	1930	2.85	54,057,205	1925	22.15
1926	Est. 500,000,000	1930	13,983,881	1930	2.80	61,469,718	1927	22.75
1927	Est. 700,000,000	1930	18,411,119	1930	2.63	71,063,593	1927	25.91
1928	972,799,185	1930	24,220,982	1930	2.49	85,011,262	1930	28.49
1929	1,053,692,882	1930	26,219,631	1930	2.49	100,547,444	1930	26.08
1930	.....	....	.....	....	....	118,659,567	1930	.....

Year ending Feb. 28 following	Total assets at beginning of each year	Moody Vol.	Percent earned on total assets	Number of stores** Total number	Number fresh meat depts.	Moody Vol.
1920	$ 38,303,531	1923	6.5%	4,544G	Not	1921
1921	32,897,376	1923	..	5,088G	rec	1922
1922	39,090,336	1923	16.29	5,088G	port-	1923
1923	45,968,370	1923	17.80	9,000G	ed.	1924
1924	53,412,868	1925	21.65	over 12,000G		1925
1925	64,961,608	1925	18.43	over 14,000G		1926
1926	78,016,257	1927	17.92	over 16,000M	73	1927
1927	92,366,420	1927	19.93	not given		1928
1928	113,293,954	1930	21.38	not given		1929
1929	132,740,469	1930	19.75	over 15,000M		1930
1930	147,390,939	1930				

**Where number of fresh meat departments is not reported:
(G) Means reported to operate grocery stores only.
(M) Means reported to operate grocery and fresh meat stores.

*Founded 1859.
Present company incorporated May 29, 1925.

Facilities as reported in 1930

62 warehouses
32 bakeries
6 salmon canneries
5 manufacturing plants
2 cheese plants
2 laundries
1 printing plant

Employs about 40,000 people

Index

1920 Volume, page 1382
1921 " " 1227
1922 " " 477
1923 " " 1808
1924 " " 2043
1925 Volume, page 1952
1926 " " 2088
1927 " " 2425
1928 " " 1295
1929 " " 2430
1930 " " 1439

Financial Record of the Kroger Grocery & Baking Company* as Reported by Moody's Manual of Industrials

Year ending Dec. 31, following	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
1920	$50,705,896	1926	$ 672,709	1926	1.33	.....	.....	.....
1921	44,851,402	1926	1,052,083	1926	2.34	$7,695,229	1924	13.67
1922	53,753,563	1928	2,061,390	1928	3.83	8,559,352	1924	24.08
1923	74,339,108	1928	2,209,174	1928	2.97	9,657,836	1924	22.87
1924	90,124,798	1930	3,186,321	1930	3.54	11,168,100	1924	28.53
1925	116,235,437	1930	3,327,839	1930	2.86	12,872,421	1926	25.85
1926	146,009,373	1930	4,131,925	1930	2.83	15,192,583	1926	27.19
1927	161,261,354	1930	4,377,104	1930	2.71	16,279,025	1928	26.89
1928	207,372,551	1930	5,323,586	1930	2.57	18,461,927	1928	28.84
1929	286,611,215	1930	5,919,097	1930	2.07	45,243,537	1930	13.08
1930	.....	.....	.....	....	....	51,722,895	1930	.....

Year ending Dec. 31	Total assets at beginning of each year	Moody Vol.	Percent earned on total assets	Number of stores** Total number	Number fresh meat depts.	Moody Vol.	
1920	.....	.....	.....	.....	.....	.....	
1921	$9,153,337	1924	11.49	1,125	495	1922	
1922	9,982,605	1924	20.65	1,413	611	1923	
1923	11,998,565	1924	18.41	1,874	816	1924	
1924	14,074,434	1924	22.64	2,127	980*	1930	*1925
1925	16,496,141	1926	20.17	2,256	1,279*	1930	*1926
1926	19,198,536	1926	21.52	3,369	1,423*	1930	*1927
1927	21,619,435	1928	20.25	3,749	1,675*	1930	*1928
1928	24,492,262	1928	21.74	5,260M	Not	1930	
1929	57,114,257	1930	10.36	5,575M	reported	1930	
1930	63,665,059	1930	.....	.....	.....	....	

**Where number of fresh meat departments is not shown:
(M) Means reported to operate grocery and fresh meat stores.

*Incorporated in Ohio, April 3, 1902.

Facilities as reported in 1930
14 bread baking plants
5 cracker bakeries
11 cake bakeries
2 abbat-oirs and packing plants at Columbus and Cincinnati
1 meat processing plant at Detroit
16 warehouses

Owns trade name and rights of the Piggly Wiggly system of retail merchandising. Receives ½% royalty of stores using this system. Piggly Wiggly Corporation owns factory for making store equipment at Memphis, Tenn.

Employs 16,000

Index

1922	Volume, page	1074	1926	Volume, page	575
1923	" "	1883	1927	" "	792
1924	" "	351	1928	" "	85
1925	" "	1153	1929	" "	1230
			1930	" "	606

Financial Record of the Safeway Stores, Incorporated,* as Reported by Moody's Manual of Industrials

Year ending Dec. 31	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
1922**	$12,468,290	1927	$371,761	1927	2.98	Not reported.	....	.....
1923**	19,947,321	1927	746,873	1927	3.74		....	.....
1924**	28,532,318	1927	1,131,388	1927	3.97		....	.....
1925**	38,691,930	1928	1,308,404	1928	3.38		....	.....
1926	50,536,513	1930	1,480,685	1930	2.93		....	.....
1927	69,573,685	1930	1,906,674	1930	2.74	$5,546,156	1925	34.38
1928	103,303,598	1930	3,505,098	1930	3.39	8,294,843	1928	42.26
1929	213,496,255	1930	6,147,313	1930	2.88	26,898,556	1930	22.85
1930	.....	....	.....	....	....	38,044,312	1930	.....

Year ending Dec. 31	Total assets at beginning of each year	Moody Vol.	Percent earned on total assets	Number of stores: Total number	Number fresh meat depts.	Moody Vol.
1922**	Not reported.	....	.....	Not reported.	.....	....
1923**		.....	.....		.....	....
1924**		....	.....		.....	....
1925**		....	.....		.....	....
1926	.....	.....	.....	784	122	1927
1927	$9,093,534	1928	20.97	970	248	1928
1928	13,087,811	1928	26.78	2,020	855	1930
1929	32,652,298	1930	18.83	2,660	1,366	1930
1930	47,715,196	1930	.....	.....	.....	....

**Sales and earnings figures for years 1922 to 1925 are consolidated for the combined companies.

*Organized as a holding company, March 24, 1926.

Facilities as reported in 1930

44 warehouses
15 bakeries
2 creameries

Employs 11,000

Index

1927 Volume, page 2123
1928 Volume, page 2949
1930 " 2271

Financial Record of the American Stores Company* as Reported by Moody's Manual of Industrials

Calendar years	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
1920	$103,059,303	1925	$2,249,454	1921	2.18	$17,828,647	1924	12.62
1921	86,068,175	1925	not given	1922	....	19,294,610	1924	.....
1922	85,866,395	1925	not given	1923	....	20,606,399	1924	.....
1923	94,579,851	1925	not given	1924	....	23,351,603	1924	.....
1924	98,178,602	1925	not given	1925	....	31,527,589	1925	.....
1925	108,886,071	1930	6,445,772	1930	5.92	35,353,303	1925	18.23
1926	116,902,230	1930	7,692,608	1930	6.58	39,982,384	1927	19.24
1927	120,664,568	1930	6,622,328	1930	5.49	43,466,644	1928	15.24
1928	137,311,513	1930	5,570,669	1930	4.06	46,670,191	1928	11.94
1929	143,346,157	1930	6,594,822	1930	4.60	40,665,019	1930	16.22
1930	.....	....	.....	....	....	43,144,412	1930	.....

Year	Total assets	Moody Vol.	Percent earned on total assets	Number of stores** Total number	Number fresh meat depts.	Moody Vol.
1920	$24,668,191	1924	9.12	1,223G	Not re-ported.	1920
1921	23,754,425	1924	.....	1,223G		1921
1922	26,671,833	1924	.....	1,223G		1922
1923	27,791,994	1924	.....	1,152G		1923
1924	34,861,579	1925	.....	1,214G	.....	1925
1925	37,877,236	1925	17.02	1,792M		1930
1926	43,587,528	1927	17.65	1,983M		1930
1927	46,351,340	1928	14.29	2,133M		1930
1928	49,080,991	1928	11.35	2,546M		1930
1929	44,394,343	1930	14.86	2,644M		1930
1930	47,955,218	1930	.....	.....		....

*Incorporated in Delaware on March 29, 1917.

Facilities as Reported in 1930

8 bakeries
8 warehouses
1 canning plant
1 plant for milk evaporation
Employs 15,000.

Index

1920 Volume, page 625
1921 " " 1425
1922 " " 1365
1923 " " 1544
1924 " " 1726
1925 Volume, page 1847
1926 " " 1962
1927 " " 2271
1928 " " 555
1929 " " 283
" " 28

**Where number of fresh meat departments is not shown:

(G) Means reported to operate grocery stores only.
(M) Means reported to operate grocery and fresh meat stores.

Financial Record of the First National Stores, Incorporated*, as Reported by Moody's Manual of Industrials**

Year	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
Ending Dec. 31, 1925..	$48,976,740	1930	$1,760,650	1930	3.59	$6,921,657	1927	25.44
15 months ending Apr. 2, 1927.....	59,038,304	1930	2,449,105	1930	4.15	8,291,103	1927	23.63
Ending Mar. 31, 1928.	64,445,962	1930	1,593,358	1930	2.47	8,103,938	1928	19.66
" 1929.	75,884,639	1930	2,904,884	1930	3.83	8,444,607	1930	34.40
" 1930.	107,635,216	....	4,773,446	....	4.43	10,973,761	1930	43.51
						17,433,554		

Year	Total assets	Moody Vol.	Percent earned on total assets	Number of stores*** Total number	Number fresh meat depts.	Moody Vol.
Ending Dec. 31, 1925.....	$10,342,708	1927	17.02	.....	...	....
15 months ending Apr. 2, 1927....	11,889,636	1927	16.48	.....	...	....
Ending Mar. 31, 1928.....	14,160,739	1928	11.25	1,717	66	1928
" 1929.....	13,957,619	1930	20.81	2,400	125	1929
" 1930.....	17,314,496	1930	.....	2,659M	...	1930
" 1931.....	24,798,368	....	.....	.....	...	....

*Incorporated in Massachusetts, Dec. 28, 1925.

Facilities as Reported in 1930.

Headquarters central warehouse covering 11 acres of floor space at Somerville, Mass. Bakery has capacity of 52,000,000 loaves yearly.

Operates warehouses, bake shop and factories in Boston and warehouse and bakery in Hartford, Conn.

Employs 6,400.

Index

1927 Volume, page 1284 1929 Volume, page 3010
1928 " " 2421 1930 " " 3105

**Not reported on in Moody Volumes prior to 1927.

***Where number of fresh meat departments is not shown:
(M)Means reported to operate grocery and fresh meat stores.

Financial Record of the National Tea Company,* as Reported by Moody's Manual of Industrials

Year ending Dec. 31	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
1920	$18,705,979	1926	$166,739	1926	.89	$2,620,460	1924	6.36
1921	16,283,146	1927	534,042	1927	3.28	2,617,199	1924	20.41
1922	20,632,332	1928	957,408	1928	4.64	2,986,236	1924	32.06
1923	31,292,239	1929	1,088,894	1929	3.48	3,792,297	1924	28.71
1924	39,058,830	1930	1,472,993	1930	3.77	6,897,921	1925	21.35
1925	47,450,885	1930	1,569,636	1930	3.31	8,104,795	1926	19.37
1926	53,657,785	1930	1,585,221	1930	2.95	10,956,210	1927	14.47
1927	58,801,376	1930	1,996,041	1930	3.39	11,626,778	1928	17.17
1928	85,881,696	1930	2,822,440	1930	3.29	13,838,173	1929	20.40
1929	90,210,077	1930	2,731,267	1930	3.03	15,884,224	1930	17.19
1930	.....	....	.....	....	....	19,206,137	1930	.....

Year ending Dec. 31	Total assets	Moody Vol.	Percent earned on total assets	Number of stores** Total number	Number fresh meat depts.	Moody Vol.
1920	$3,377,783	1924	4.94	143D	Not	1920
1921	3,522,418	1924	15.16	261D	Re-	1927
1922	4,841,532	1924	19.77	295D	ported.	1928
1923	5,833,902	1924	18.67	514D		1929
1924	9,850,217	1925	14.95	598D		1929
1925	12,074,863	1926	13.00	761D		1929
1926	14,766,737	1927	10.74	840D		1929
1927	16,273,234	1928	12.27	1,237D		1929
1928	20,377,126	1929	13.85	1,600D		1929
1929	23,705,358	1930	11.52	1,627D		1930
1930	27,639,419	1930	.....	.....		....

*Incorporated in Illinois February 6, 1902.

Facilities as Reported in 1930

1 baking plant (Sterling Bakery at Sterling, Illinois, with capacity of 2,850,000 loaves a year).
1 general plant and warehouse in Chicago.
Employs about 9,100.

Index

1920 Volume, page 1245
1921 " " 1306
1922 " " 1142
1923 " " 1956
1924 " " 2226
1925 Volume, page 1196
1926 " " 599
1927 " " 1370
1928 " " 629
1929 " " 2374
1930 " " 1387

**Where number of fresh meat departments is not shown:
(D) Means does not show clearly whether the company sells fresh meats.

Financial Record of McMarr Stores, Incorporated* as Reported by Moody's Manual of Industrials**

Year ending Dec. 31	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
1926	.....	....	.....	....	....	.....	....	.....
1927	$58,007,056	1930	$1,493,548	1930	2.57	.....	....	.....
1928	75,918,747	1930	2,047,860	1930	2.70	.....	....	.....
1929	87,237,976	1930	2,173,523	1930	2.49	.....	....	.....
1930	.....	....	.....	....	....	$11,860,201	1930	.....

Year ending Dec. 31	Total assets	Moody Vol.	Percent earned on total assets	Number of stores**** Total number	Number fresh meat depts.	Moody Vol.
1926	.....	....	.....	818D	.....	1930
1927	.....	....	.....	1,037D	.....	1930
1928	.....	....	.....	1,274M	.....	1930
1929	.....	....	.....	1,394	272***	1930
1930	$15,549,640	1930	.....	.....	.....	....

*Incorporated in Maryland January 15, 1929.

Facilities as Reported in 1930

23 warehouses.
2 bakeries.
2 creameries.
5 wholesale grocery houses.
1 coffee and spice house.

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1930 Volume, page 1491

**Comparable consolidated figures not reported in Moody Volumes prior to 1930.

***108 have vegetable stands; 22 have delicatessen stands; 2 have drug departments.

****Where number of fresh meat departments is not shown:
(M)Means reported to operate grocery and fresh meat stores.
(D)Means does not show clearly whether the company sells fresh meats.

Financial Record of the Grand Union Company,* as Reported by Moody's Manual of Industrials**

Year ending Dec. 31	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
1925	$27,600,821	1930	$311,501	1930	1.13	.....	....	.....
1926*	26,240,254	1930	411,026	1930	1.57	.....	....	.....
1927	30,040,903	1930	541,049	1930	1.80	.....	....	.....
1928	31,972,133	1930	568,300	1930	1.78	$6,066,688	1929	9.37
1929	36,943,122	1930	1,021,385	1930	2.76	10,877,750	1930	9.39
1930	.....	....	.....	....	....	11,469,381	1930	.....

Year ending Dec. 31	Total assets	Moody Vol.	Percent earned on total assets	Number of stores**** Total number	Number fresh meat depts.	Moody Vol.
1925	.....	....	.....	.....	.....	....
1926	.....	....	.....	.....	.....	....
1927	.....	....	.....	.....	.....	....
1928	$8,555,342	1929	6.64	650 M	.....	1929
1929	12,434,999	1930	8.21	752*** M	.....	1930
1930	13,016,861	1930	.....	.....	.....	....

*Incorporated in Delaware May 17, 1928, to acquire The Jones Bros. Tea Co., Inc., and The Oneida County Creameries.

Facilities as Reported in 1930

8 buildings for garages, factories and warehouses in three cities.
Employs 3,100.

Index

1929 Volume, page 2365 1930 Volume, page 718

**Not reported on in Moody Volumes prior to 1928. No figures on comparable consolidated basis available prior to 1925.

***Also 105 tea and coffee branches serving by 1160 wagon routes rural districts in 24 states.

****Where number of fresh meat departments is not shown:
(M) Means reported to operate grocery and fresh meat stores.

Financial Record of Daniel Reeves, Incorporated,* as Reported by Moody's Manual of Industrials**

Calendar Year	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
1925	.....	....	.....	....	....	Not	....	.....
1926	$25,820,708	1929	$693,064	1929	2.68	Re-	....	.....
1927	28,985,290	1930	720,604	1930	2.49	port-	....	.....
1928	31,569,318	1930	857,317	1930	2.72	ed.	....	.....
1929	33,766,924	1930	1,128,349	1930	3.34	$3,916,340	1930	28.81
1930	.....	....	.....	....	....	4,449,259	1930	.....

Year	Total assets	Moody Vol.	Percent earned on total assets	Number of stores*** Total number	Number fresh meat depts.	Moody Vol.
1925	Not	....	.....	518G	Not	1930
1926	Re-	....	.....	551G	Re-	1930
1927	port-	....	.....	634G	port-	1930
1928	ed.	....	.....	655G	ed.	1930
1929	$5,381,958	1930	20.97	698G		1930
1930	5,802,347	1930	.....	710G		1930

*Founded in 1900.

Incorporated in Delaware on December 14, 1928.

Facilities as Reported in 1930

Owns and operates a modern, central warehouse in New York City.

2,300 employees.

Index

1929 Volume, page 2750. 1930 Volume, page 1819

**No figures prior to 1926 are reported in Moody's Manual of Industrials, except number of stores in 1925.

***Where number of fresh meat departments is not shown:
(G) Means reported to operate grocery stores only.

Financial Record of the H. C. Boback Company, Incorporated,* as Reported by Moody's Manual of Industrials

Year ending Jan. 31, following	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
1920	$11,988,253	1925	.....	....	....	Not	....	.....
1921	12,493,476	1925	.....	....	....	Re-	....	.....
1922	15,317,284	1928	$337,855	1925	2.21	port-	....	.....
1923	16,673,190	1928	472,526	1925	2.83	ed.	....	.....
1924	18,703,468	1930	407,405	1930	2.18	$3,631,632	1925	11.22
1925	19,395,241	1930	339,236	1930	1.75	4,654,003	1926	7.29
1926	21,159,069	1930	272,665	1930	1.29	4,659,207	1926	5.85
1927	24,733,554	1930	579,699	1930	2.34	5,597,673	1928	10.36
1928	26,168,158	1930	592,755	1930	2.27	5,773,571	1928	10.27
1929	28,865,869	1930	900,337	1930	3.12	7,844,747	1930	11.48
1930	.....	....	.....	....	....	8,914,254	1930	.....

Year ending Jan. 31, following	Total assets	Moody Vol.	Percent earned on total assets	Number of stores** Total number	Number fresh meat depts.	Moody Vol.
1920	Not	....	.....	.....	...	....
1921	Re-	....	.....	.....	...	....
1922	port-	....	.....	225D	...	1928
1923	ed.	....	.....	254D	...	1928
1924	$4,365,896	1925	9.33	324M	...	1930
1925	6,192,815	1926	5.48	352M	...	1930
1926	6,390,441	1926	4.27	391M	...	1930
1927	7,608,301	1928	7.62	417M	...	1930
1928	6,837,120	1928	8.67	461M	...	1930
1929	8,406,962	1930	10.71	504	230	1930
1930	9,718,288	1930	.....	.....	...	....

*Organized in 1903.
Incorporated in New York, 1913.

Facilities as Reported in 1930.

2 restaurants.
10 automobile accessory stores and gasoline stations.
Has warehouses, bakery, pork packing and tallow plants, office building, power and refrigeration plant, garage and repair shops located on 8½ acre plot in Brooklyn.
2,600 employees.

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1925 Volume, page 1028 1928 Volume, page 411
1926 " " 485 1930 " " 62

**Where number of fresh meat departments is not shown:
(M) Means reported to operate grocery and fresh meat stores.
(D) Means does not show clearly whether the company sells fresh meats.

Financial Record of Loblaw Groceterias Company, Limited,* as Reported by Moody's Manual of Industrials

Year	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
9 mos. ending May 31, 1921	$694,932	1927	$17,423	1927	2.51			
Year ending May 31, 1922	1,829,577	1927	67,339	1927	3.68	Not		
" 1923	3,136,672	1927	124,955	1927	3.98	Re-		
" 1924	5,066,306	1927	211,776	1927	4.18	port-		
" 1925	6,135,192	1927	246,540	1928	4.02	ed.		
" 1926	7,717,459	1927	359,579	1929	4.66			
" 1927	10,517,093	1930	577,820	1930	5.49	$1,548,667	1927	23.22
" 1928	13,975,186	1930	734,487	1930	5.26	1,786,485	1928	32.34
" 1929	16,552,739	1930	849,316	1930	5.13	2,445,918	1929	30.03
" 1930						3,938,207	1930	21.57
						4,684,776	1930	

Year	Total assets	Moody Vol.	Percent earned on total assets	Number of stores (1) Total number		Number fresh meat depts.	Moody Vol.
9 Mos. ending May 31, 1921							
Year ending May 31, 1922	Not						
" 1923	Re-						
" 1924	port-						
" 1925	ed.						
" 1926	$2,115,290	1927	17.00	36**	G		1926
" 1927	2,331,010	1928	24.79	47***	G		1927
" 1928	3,127,718	1929	23.48	115****	G		1928
" 1929	4,873,643	1930	17.43	115****	G		1929
" 1930	5,629,212	1930		212*****	G		1930

(1) Where number of fresh meat departments is not shown:
(G) Means reported to operate grocery stores only.

* Incorporated April 1, 1921.
Owns 51% of the common stock and 2861 shares of the preferred stock of Loblaw Groceterias, Inc., operating 75 stores in Chicago and 43 in Buffalo.

** All stores in Canada.

*** Includes some stores in the United States.

**** Includes 45 stores in the United States and 70 in Canada.

***** Includes 118 stores in the United States and 94 in Canada.

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1926 Volume, page 818 1928 Volume, page 1485
1927 " , " 398 1929 " , page 879
1930 " , " 1619

Financial Record of David Pender Grocery Company* as Reported by Moody's Manual of Industrials**

Year ending	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
June 30, 1924	$6,824,627	1927	$124,217	1927	1.82	.....	....	.....
" " 1925	7,862,416	1928	201,577	1928	2.56	$1,019,800	1927	19.77
Dec. 31, 1926	10,721,835	1929	292,390	1929	2.73	1,146,320	1928	25.50
" " 1927	12,599,161	1930	321,198	1930	2.55	1,919,065	1928	16.74
" " 1928	14,519,461	1930	390,778	1930	2.69	1,997,606	1929	19.76
" " 1929	15,920,689	1930	287,715	1930	1.81	2,247,885	1930	12.80
" " 1930	.....	....	.....	....	....	2,312,428	1930	.....

Year ending	Total assets	Moody Vol.	Percent earned on total assets	Number of stores (1) Total number		Number fresh meat depts.	Moody Vol.
June 30, 1924	.....	....	.....	.....		.....	.....
" 30, 1925	$1,354,432***	1926	14.88	280	G	.....	1926
Dec. 31, 1926	1,519,552****	1928	19.24	324	G	.....	1927
" " 1927	2,340,879	1928	13.72	371	G	.....	1928
" " 1928	2,495,469	1929	15.66	396	G	.....	1929
" " 1929	2,777,839	1930	10.36	410		58	1930
" " 1930	3,209,590	1930	.....	.....		.....	....

* Incorporated in Virginia, January 24, 1901.

Facilities as reported in 1930

Has modern bakery at Norfolk, Va., with daily capacity of 50,000 loaves of bread and 5,000 pounds of cake. Also operates bakery and warehouse in Charlotte.

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1926	Volume, page 1739	1928	Volume, page 2105
1927	" , " 1122	1929	" , " 2496
		1930	" , " 1703

** Not reported on in Moody Volumes prior to 1926.
*** As of July 1, 1924.
**** As of July 1, 1925.

(1) Where number of fresh meat departments is not shown:

(G) Means reported to operate grocery stores only.

(Page 1 of Petitioners' Exhibit 70 follows, side folios 1384 and 1385.)

[fol. 1384]

Per. Ex. 70

Financial Record Eight Food Companies as Reported by Moody's Manual of Industrials

[fol. 1385]

P. Ex. 70, p. 1

Eight Food Companies Sales, Earnings, and Percentage of Earnings to Sales, Invested Capital and Total Assets, Period 1920 to 1930, as Reported by Moody's Manual of Indus

Sales (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929
National Dairy Products Corporation	$15,023	$13,014	$14,080	$13,569	$91,064	$105,377	$134,550	$145,330	$212,633	$300,021
National Biscuit Company	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
The Borden Company	120,294	99,880	92,059	100,245	109,667	123,353	124,912	132,047	180,850	328,467
Standard Brands, Incorporated	.....	37,194	38,507	41,233	46,443	56,646	62,952	64,668	64,004	.....
General Foods Corporation	21,910	17,774	17,877	22,205	24,248	27,387	46,896	57,288	101,037	128,037
Gold Dust Corporation	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Beatrice Creamery Company	46,444	35,238	34,143	46,378	46,895	35,051	33,974	52,744	53,307	83,682
United States Dairy Products Corporation	.....	3,564	3,679	4,469	4,696	9,060	13,930	14,858	19,281	24,713
Total	$203,671	$206,664	$200,345	$228,099	$323,013	$356,874	$417,214	$466,935	$631,111	$864,920

Net Earnings Available for Dividends (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929
National Dairy Products Corporation	$761	$890	$1,016	$1,640	$4,882	$5,314	$10,194	$10,460	$15,937	$21,574
National Biscuit Company	5,543	5,677	11,025	12,093	12,882	13,582	14,674	16,277	17,883	21,494
The Borden Company	2,819	2,925	5,174	5,023	5,413	6,297	6,854	7,154	11,354	20,404
Standard Brands, Incorporated	.....	4,680	8,174	8,631	9,843	13,922	18,465	19,424	19,821	.....
General Foods Corporation	1,120	2,102	2,879	2,881	4,105	4,684	11,317	11,368	14,556	19,422
Gold Dust Corporation	2,393 L	2,935 L	2,479 L	.....	673	678	867	1,828	2,732	7,587
Beatrice Creamery Company	863	956	1,176	990	1,010	1,060	1,046	1,221	1,579	1,530
United States Dairy Products Corporation	.....	278	294	120	225	312	761	730	1,169	1,715
Total	$8,718	$14,573	$27,259	$31,378	$39,033	$45,839	$64,178	$68,471	$85,031	$93,665

Percent Earned on Sales**

Weighted Average on Companies Reported	(4) 273	(6) 5.73	(6) 9.34	(6) 8.45	(6) 7.88	(6) 8.84	(6) 11.65	(6) 10.78	(6) 10.21	(5) 7.47

Total Stockholders' Investment (Includes Capital Stock and Surplus at the Beginning of Each Year) (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929
National Dairy Products Corporation	.....	.....	.....	.....	$9,704	$13,374	$38,445	$53,102	$59,068	$66,348
National Biscuit Company	$73,369	$75,130	$77,024	$83,243	87,460	90,419	94,078	95,760	97,511	106,914
The Borden Company	36,142	35,891	35,007	36,686	37,519	41,066	39,642	47,933	54,905	92,902
Standard Brands, Incorporated	.....	19,801	24,646	29,148	31,811	35,069	41,749	48,216	51,247	55,801
General Foods Corporation	.....	11,161	8,707	10,470	11,866	12,779	13,585	17,754	30,784	47,909
Gold Dust Corporation	48,671	40,060	37,125	34,646	760	868	1,561	2,961	2,820	16,523
Beatrice Creamery Company	9,873	9,925	10,075	10,430	10,484	10,636	10,901	12,106	14,708	18,170
United States Dairy Products Corporation	.....	.....	.....	1,142	1,547	4,632	5,011	6,951	9,865	12,308
Total	$168,055	$191,968	$192,584	$205,756	$191,151	$208,843	$244,962	$284,785	$320,608	$416,885

Percent Earned on Stockholders' Investment**

Weighted Average on Companies Reported	(4) 4.19	(6) 6.98	(6) 13.47	(6) 17.38	(6) 20.42	(6) 21.95	(6) 26.20	(6) 24.04	(6) 26.52	(7) 25.34

Total Assets (at the Beginning of Each Year) (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929
National Dairy Products Corporation	.....	.....	.....	.....	$11,597	$15,408	$68,206	$83,744	$89,036	$129,094
National Biscuit Company	$77,730	$85,333	$83,188	$90,954	95,804	98,305	102,039	106,226	109,659	130,942
[illegible] Company	60,587	66,851	56,942	56,339	60,319	68,226	63,775	66,719	75,008	117,884

Per. Ex. 70

Financial Record Eight Food Companies as Reported by Moody's Manual of Industrials

P. Ex. 70, p. 1

l Companies Sales, Earnings, and Percentage of Earnings to Sales, Invested Capital and Total Assets, Period 1920 to 1930, as Reported by Moody's Manual of Industrials

Sales (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930
Products Corporation	$15,023	$13,014	$14,080	$13,569	$91,064	$105,377	$134,550	$145,330	$212,633	$300,021	.....
it Company	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
mpany	120,294	99,880	92,059	100,245	109,667	123,353	124,912	132,047	180,850	328,487	.....
ds, Incorporated	.....	37,194	38,507	41,233	46,443	56,646	62,952	64,668	64,004	.....	.....
Corporation	21,910	17,774	17,877	22,205	24,248	27,387	46,896	57,288	101,037	128,037	.....
poration	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
ery Company	46,444	35,238	34,143	46,378	46,895	35,051	33,974	52,744	53,307	83,682	.....
Dairy Products Corporation	.....	3,564	3,679	4,469	4,696	9,060	13,930	14,858	19,281	24,713	.....
	$203,671	$206,664	$200,345	$228,099	$328,013	$356,874	$417,214	$466,935	$631,111	$864,920	.....

Net Earnings Available for Dividends (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930
Products Corporation	$761	$890	$1,016	$1,640	$4,882	$5,314	$10,194	$10,460	$15,037	$21,574	.....
it Company	5,543	5,677	11,025	12,093	12,882	13,582	14,674	16,277	17,883	21,424	.....
mpany	2,819	2,925	5,174	5,023	5,413	6,297	6,854	7,154	11,354	20,404	.....
ds, Incorporated	.....	4,680	8,174	8,631	9,843	13,922	18,465	19,424	19,821	.....	.....
Corporation	1,120	2,102	2,879	2,881	4,105	4,684	11,317	11,368	14,556	19,422	.....
poration	2,393 L	2,935 L	2,479 L	.....	673	678	867	1,828	2,732	7,587	.....
ery Company	863	956	1,176	990	1,010	1,050	1,046	1,221	1,579	1,539	.....
Dairy Products Corporation	.....	278	294	120	225	312	761	739	1,169	1,715	.....
	$8,713	$14,573	$27,259	$31,378	$39,033	$45,839	$64,178	$68,471	$85,031	$93,665	.....

nt Earned on Sales**

age on Companies Reported	(4) 2.73	(6) 5.73	(6) 9.34	(6) 8.45	(6) 7.88	(6) 8.84	(6) 11.65	(6) 10.78	(6) 10.21	(5) 7.47	.....

Total Stockholders' Investment (Includes Capital Stock and Surplus at the Beginning of Each Year) (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930
Products Corporation	.....	.....	.....	.....	$9,704	$13,374	$38,445	$53,102	$50,068	$66,348	$110,603
it Company	$73,369	$75,130	$77,024	$83,243	87,460	90,419	94,078	95,760	97,511	106,914	117,000
mpany	36,142	35,891	35,007	36,686	37,519	41,066	39,642	47,933	54,905	92,902	121,875
ds, Incorporated	.....	19,801	24,646	29,148	31,811	35,069	41,749	48,216	51,247	55,801	68,989
Corporation	.....	11,161	8,707	10,470	11,866	12,779	13,585	17,754	30,784	47,900	59,551
poration	43,671	40,060	37,1	34,646	760	868	1,581	2,961	2,520	16,533	31,173
ery Company	9,873	9,925	10,07	10,430	10,484	10,636	10,891	12,108	14,708	18,170	24,409
Dairy Products Corporation	.....	.....	.....	1,142	-1,547	4,632	5,011	6,951	9,865	12,308	14,706
	$163,055	$191,968	$192,584	$205,756	$191,151	$208,843	$244,982	$284,785	$320,608	$416,885	$548,976

lon Stockholders' Investment**

age on Companies Reported	(4) 4.19	(6) 6.98	(6) 13.47	(6) 17.38	(8) 20.42	(8) 21.95	(8) 26.20	(8) 24.04	(8) 26.52	(7) 25.24	.....

Total Assets (at the Beginning of Each Year) (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930
y Products Corporation	.....	.....	.....	.....	$11,597	$15,406	$68,296	$83,744	$80,066	$129,024	$179,973
it Company	$77,730	$88,333	$83,188	$90,954	95,394	98,305	102,039	106,226	109,659	120,842	133,225
										117,884	174,046

Sales (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929
National Dairy Products Corporation	$15,023	$13,014	$14,080	$13,569	$91,064	$105,377	$134,550	$145,330	$212,633	$300,021
National Biscuit Company	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
The Borden Company	120,294	99,880	92,059	100,245	109,667	123,353	124,912	132,047	180,850	328,467
Standard Brands, Incorporated	.....	37,194	38,507	41,233	46,443	56,646	62,952	64,668	64,004	.....
General Foods Corporation	21,910	17,774	17,877	22,205	24,248	27,387	46,896	57,288	101,037	128,037
Gold Dust Corporation	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Beatrice Creamery Company	46,444	35,238	34,143	46,378	46,895	35,051	33,974	52,744	53,307	83,682
United States Dairy Products Corporation	.....	3,564	3,679	4,469	4,696	9,060	13,930	14,858	19,281	24,713
Total	$203,671	$206,664	$200,345	$228,099	$323,013	$356,874	$417,214	$466,935	$631,111	$864,920

Net Earnings Available for Dividends (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929
National Dairy Products Corporation	$761	$890	$1,016	$1,640	$4,882	$5,314	$10,194	$10,460	$15,937	$21,574
National Biscuit Company	5,543	5,677	11,025	12,093	12,882	13,582	14,674	16,277	17,883	21,424
The Borden Company	2,819	2,925	5,174	5,023	5,413	6,297	6,854	7,154	11,354	20,404
Standard Brands, Incorporated	.....	4,680	8,174	8,631	9,843	13,922	18,465	19,424	19,821	.....
General Foods Corporation	1,120	2,102	2,879	2,881	4,105	4,684	11,317	11,368	14,556	19,422
Gold Dust Corporation	2,393 L	3,935 L	2,479 L	.....	678	678	867	1,828	2,752	7,587
Beatrice Creamery Company	863	956	1,176	990	1,010	1,050	1,046	1,221	1,579	1,539
United States Dairy Products Corporation	.....	278	294	120	225	312	761	739	1,169	1,715
Total	$8,713	$14,573	$27,259	$31,378	$39,033	$45,839	$64,178	$68,471	$85,031	$93,665
Percent Earned on Sales**										
Weighted Average on Companies Reported	(4) 2.73	(6) 5.73	(6) 9.34	(6) 8.45	(6) 7.88	(6) 8.84	(6) 11.65	(6) 10.78	(6) 10.21	(5) 7.47

Total Stockholders' Investment (Includes Capital Stock and Surplus at the Beginning of Each Year) (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929
National Dairy Products Corporation	.....	.....	.....	.....	$9,704	$13,374	$38,445	$53,102	$59,008	$66,348
National Biscuit Company	$73,369	$75,130	$77,024	$83,243	87,460	90,419	94,078	95,760	97,511	106,914
The Borden Company	36,142	35,891	35,007	36,686	37,519	41,066	39,642	47,933	54,905	92,902
Standard Brands, Incorporated	.....	19,801	24,646	29,148	31,811	35,069	41,749	48,216	51,247	55,801
General Foods Corporation	.....	11,161	8,707	10,470	11,866	12,779	13,585	17,754	30,784	47,909
Gold Dust Corporation	43,671	40,060	37,125	34,646	760	868	1,581	2,961	2,320	16,583
Beatrice Creamery Company	9,873	9,925	10,075	10,430	10,484	10,636	10,891	12,108	14,708	18,170
United States Dairy Products Corporation	.....	.....	.....	1,142	1,547	4,632	5,011	6,951	9,865	12,306
Total	$163,055	$191,968	$192,584	$205,756	$191,151	$208,843	$244,982	$284,785	$320,608	$416,885
Percent Earned on Stockholders' Investment**										
Weighted Average on Companies Reported	(4) 4.19	(6) 6.98	(6) 13.47	(6) 17.38	(8) 20.42	(8) 21.95	(8) 26.20	(8) 24.04	(8) 26.52	(7) 25.24

Total Assets (at the Beginning of Each Year) (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929
National Dairy Products Corporation	.....	.....	.....	.....	$11,597	$15,408	$68,296	$83,744	$89,086	$129,024
National Biscuit Company	$77,730	$88,333	$83,188	$90,954	95,394	98,305	102,039	106,226	109,659	120,842
The Borden Company	60,537	66,851	56,942	56,839	60,319	68,226	63,775	66,719	75,003	117,394
Standard Brands, Incorporated	.....	35,575	40,491	43,514	48,255	52,965	62,643	72,589	77,799	82,982
General Foods Corporation	.....	12,957	10,511	11,533	12,800	13,846	15,983	20,370	37,379	55,547
Gold Dust Corporation	62,863	64,373	55,145	51,749	8,744	7,230	5,598	9,620	8,946	27,513
Beatrice Creamery Company	11,274	10,961	10,872	11,190	11,607	11,600	11,838	12,979	15,890	19,542
United States Dairy Products Corporation	.....	.....	.....	2,073	2,635	8,847	11,431	15,786	18,377	22,718
Total	$212,404	$271,050	$257,149	$267,852	$251,451	$276,427	$341,553	$388,082	$432,139	$577,027
Percent Earned on Total Assets**										
Weighted Average on Companies Reported	(4) 3.22	(6) 4.95	(6) 10.09	(6) 13.76	(8) 15.52	(8) 16.58	(8) 18.79	(8) 17.65	(8) 19.68	(7) 18.96

** Figures in brackets indicate number of companies included in arriving at percentages. L = loss.

Sales (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930
roducts Corporation	$15,023	$13,014	$14,080	$13,589	$91,084	$105,377	$134,550	$145,330	$212,633	$300,021	.....
Company	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
pany	120,294	99,880	92,059	100,245	109,667	123,353	124,912	132,047	130,850	528,467	.....
Incorporated	.....	37,194	38,507	41,233	46,443	56,646	62,952	64,668	64,004	.....	.....
rporation	21,910	17,774	17,877	22,205	24,248	27,387	46,896	57,288	101,037	128,037	.....
ration	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
y Company	46,444	35,288	34,143	46,378	46,895	35,051	33,974	52,744	53,307	53,682	.....
ry Products Corporation	.....	3,564	3,679	4,469	4,696	9,060	13,930	14,858	19,281	24,713	.....
	$203,671	$206,664	$200,345	$228,099	$323,013	$356,874	$417,214	$466,935	$631,111	$864,920	.....

Net Earnings Available for Dividends (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930
roducts Corporation	$761	$890	$1,016	$1,640	$4,882	$5,314	$10,194	$10,460	$15,937	$21,574	.....
Company	5,543	5,677	11,025	12,093	12,882	13,582	14,674	16,277	17,883	21,424	.....
pany	2,819	2,925	5,174	5,023	5,413	6,297	6,854	7,154	11,354	20,404	.....
Incorporated	.....	4,680	8,174	8,631	9,843	13,922	18,465	19,424	19,821	.....	.....
rporation	1,120	2,102	2,879	2,881	4,105	4,684	11,317	11,368	14,556	19,422	.....
ration	2,393 L	2,935 L	2,479 L	.....	673	678	867	1,828	2,732	7,567	.....
y Company	863	956	1,176	990	1,010	1,050	1,046	1,221	1,579	1,539	.....
ry Products Corporation	.....	278	294	120	225	312	761	739	1,169	1,715	.....
	$8,713	$14,573	$27,259	$31,378	$39,033	$45,839	$64,178	$68,471	$85,031	$93,665	.....

Earned on Sales**

on Companies Reported	(4) 273	(6) 5.73	(6) 9.34	(6) 8.45	(6) 7.88	(6) 8.84	(6) 11.65	(6) 10.78	(6) 10.21	(5) 7.47	.....

Total Stockholders' Investment (Includes Capital Stock and Surplus at the Beginning of Each Year) (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930
roducts Corporation	.....	.....	.....	.....	$9,704	$13,374	$38,445	$53,102	$59,068	$66,348	$110,608
Company	$73,369	$75,130	$77,024	$83,243	87,460	90,419	94,078	95,760	97,511	106,914	117,690
pany	36,142	35,891	35,007	36,686	37,519	41,066	39,642	47,933	54,905	92,902	131,875
Incorporated	.....	19,801	24,646	29,148	31,811	35,069	41,749	48,216	51,247	55,801	68,959
rporation	.....	11,161	8,707	10,470	11,866	12,779	13,585	17,754	30,784	47,909	59,561
ration	43,671	40,060	37,125	34,646	760	868	1,581	2,961	2,520	16,583	31,173
y Company	9,873	9,925	10,075	10,430	10,484	10,636	10,891	12,108	14,708	18,170	24,409
ry Products Corporation	.....	.....	.....	1,142	1,547	4,632	5,011	6,951	9,865	12,368	14,706
	$163,055	$191,968	$192,584	$205,756	$191,151	$208,843	$244,982	$284,785	$320,608	$416,885	$548,976

Stockholders' Investment**

on Companies Reported	(4) 4.19	(6) 6.98	(6) 13.47	(6) 17.38	(8) 20.42	(8) 21.95	(8) 26.20	(8) 24.04	(8) 26.52	(7) 25.24	.....

Total Assets (at the Beginning of Each Year) (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930
roducts Corporation	.....	.....	.....	.....	$11,597	$15,408	$68,296	$83,744	$89,086	$129,024	$179,973
Company	$77,730	$88,333	$88,188	$90,954	96,294	98,305	102,039	106,226	109,659	120,842	133,225
pany	60,537	66,851	56,942	56,839	60,319	65,226	63,775	66,719	75,003	117,884	174,046
Incorporated	.....	35,575	40,491	43,514	48,255	52,965	62,643	72,588	77,799	82,952	77,486
rporation	.....	12,957	10,511	11,533	12,800	13,846	15,933	20,370	37,379	56,547	70,504
ration	62,863	64,373	55,145	51,749	8,744	7,230	5,508	9,620	8,946	27,518	52,945
y Company	11,274	10,961	10,872	11,190	11,607	11,600	11,838	12,979	15,890	19,542	25,923
ry Products Corporation	.....	.....	.....	2,073	2,635	5,847	11,431	15,786	18,377	22,718	27,220
	$212,404	$271,050	$257,149	$267,852	$251,451	$276,427	$341,563	$388,082	$432,139	$577,027	$741,322

Earned on Total Assets**

on Companies Reported	(4) 3.22	(6) 4.95	(6) 10.09	(6) 13.76	(8) 15.52	(8) 16.58	(8) 18.79	(8) 17.65	(8) 19.68	(7) 18.96	.....

brackets indicate number of companies included in arriving at percentages. L = loss.

[fol. 1385a] P. Ex. 70, pp. 2, 3, and 4

National Dairy Products Corporation

Incorporated under the laws of Delaware on Dec. 8, 1923. Business of company and its subsidiaries includes wholesale and retail distribution of milk, cream, butter and other dairy products, and the manufacture and wholesale distribution of ice cream, beverages, condensed milk, butter, semi-solid buttermilk, dried buttermilk, milk powder, milk sugar, casein and other milk by-products. Employs about 30,000.

Company is an operating and holding company controlling directly or indirectly the following companies:

Akron Pure Milk Co. (Del.)
Arctic Dairy Products Co. (Mich.)
Breakstone Brothers, Inc. (Del.)
Breyer Ice Cream Co. (Del.)
Breyer Ice Cream Co., Inc. (N. Y.)
Castles Ice Cream Co. (N. J.)
Chapell Ice Cream Co., Inc. (Del.)
Chestnut Farms Dairy, Inc. (Del.)
City Dairies, Inc. (Mich.)
Clover Dairy Co. (Del.)
Clover Farm Dairy Corp. (Del.)
Collis Products Co. (Del.)
Consolidated Buttermilk Corp. (Del.)
Consumers Dairy Co. (Mich.)
Consumers Dairy Co. (N. J.)
Creameries Investment Co. (Del.)
Detroit Creamery Co. (Mich.)
Dodds Alderney Dairy, Inc. (N. Y.)
Ebling Creamery Co. (Mich.)
Findlay Dairy Co. (Del.)
The Franklin Ice Cream Corp. (Del.)
General Ice Cream Corp. (N. Y.)
Harding Cream Corp. (Del.)
Hydrox Corp. (Del.)
Hydrox Ice Cream Co., Inc. (N. Y.)
Hydrox Ice Cream Co. (Mo.)
The Jersey Ice Cream Co. (Md.)
Keystone Dairy Co. (N. J.)
Lawlor Electrical Refrigerating Co. (Pa.)

Luick Dairy Co. (Del.)
Luick Ice Cream Co. (Del.)
Merchants Ice & Cold Storage Co. (Del.)
Muller Dairies, Inc. (Del.)
Nashville Pure Milk Co. (Tenn.)
National Dairy Co. (Del.)
National Dairy Products Purchasing Corp. (N. Y.)
Ohio Clover Leaf Dairy Co. (Del.)
Ohio-Toledo Ice Cream Co. (Del.)
Research Laboratories of National Dairy Products Corp., Inc. (Md.)
Rieck-McJunkin Dairy Co. (Pa.)
J. D. Roszell Co. (Del.)
Sagal-Lou Products Co. (Del.)
[fol. 1385b] The Sanitary Milk Co. (Ohio).
Sheffield By-Products Co., Inc. (N. Y.)
Sheffield Condensed Milk Co., Inc. (N. Y.)
Sheffield Farms Co., Inc. (N. Y.)
Simmons & Hammond Manufacturing Co. (Del.)
St. Louis Dairy Co. (Del.)
Supplee-Wills-Jones Milk Co. (Pa.)
Telling-Belle Vernon Co. (Ohio).
Trinity Advertising Corp. (N. Y.)
Tri-State Butter Co. (Del.)
Union Ice Cream Co. (Tenn.)
Wisconsin Creameries, Inc. (Wis.)

Sub-subsidiaries

Alex. Grossman & Co., Inc. (N. Y.)
Allen Ice Cream Co. (Ill.)
Bryant & Chapman Co. (Conn.)
Clover Farm Dairy Co. (Tenn.)
Consolidated Products Co. (Neb.)
Erie County Milk Assn. (Pa.)
Harding Cream Co. (Neb.)
The W. E. Hoffman Co. (Pa.)
Jamestown Ice Cream Co., Inc. (N. Y.)
Joliet Ice Cream Co. (Ill.)
Laher Ice Cream Co. (Pa.)
Lily Ice Cream Co. (Tenn.)
Louvain Construction Corp. (N. Y.)
Moore Brothers Co. (Pa.)
Palisade Cheese Co. (N. Y.)

Pittsburgh Ice Cream Co. (Pa.)
Rieck Ice Cream Co. (W. Va.)
Sheffield Farms Co., Ltd. (Quebec, Can.)
Thompson Ice Cream Co. (Ill.)

The growth of this company prior to 1928 centered chiefly around the Sheffield Farms Co., Inc., and related interests and the Breyer Ice Cream Co. Sheffield Farms Co., Inc., in 1926 sales amounted to $58,000,000. They operate more than 350 retail stores and 1,975 delivery routes for the distribution of milk, cream and other products. Also owns and operates 3 large farms for the production of certified milk.

Owns the entire capital stock of the Louvain Construction Co., incorporated in 1914, to handle the construction work for the company in New York City and vicinity.

1928 was the year of large expansion expressly marked by the acquisition of the General Ice Cream Corporation with 24 subsidiaries.

On May 12, 1930, arrangements were concluded for acquisition of Kraft-Phenix Cheese Corporation by National [fol. 1385c] Dairy Products Corporation. This acquisition carried with it control of Southern Dairies Corporation. Kraft-Phenix Corporation has annual sales of about $85,000,000 and has about 16 subsidiaries and in addition controls a number of distributing companies serving the retail trade. Southern Dairies has an annual sales volume of about $12.000,000.

Financial Record of National Dairy Products Corporation* as Reported by Moody's Manual of Industrials

Year ended Dec. 31	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
1920	$15,023,021	1925	$761,293	1925	5.07	Not	....	.....
1921	13,013,921	1925	889,963	1925	6.84	re-	....	.....
1922	14,079,929	1925	1,015,681	1925	7.21	port-	....	.....
1923	13,568,668**	1925	1,640,343**	1925	12.09	ed.	....	.....
1924	91,064,305***	1930	4,882,238***	1930	5.36	$9,703,773	1925	50.30
1925	105,377,152***	1930	5,314,327***	1930	5.04	13,374,258	1930	29.74
1926	134,549,919***	1930	10,194,484***	1930	7.58	38,445,004	1930	26.51
1927	145,330,059***	1930	10,459,863***	1930	7.20	53,101,860	1930	19.69
1928	212,632,077***	1930	15,937,394***	1930	7.50	59,067,984	1930	26.98
1929	300,021,483***	1930	21,574,240***	1930	7.19	66,348,198	1930	32.51
1930	.....	....	.....	....	....	110,603,066	1930	.....

Year ended Dec. 31.	Total assets at beginning of each year.	Moody Vol.	Percent earned on total assets
1920	Not	....	.....
1921	Re-	....	.....
1922	port-	....	.....
1923	ed.	....	.....
1924	$11,596,960	1925	42.10
1925	15,407,608	1930	24.49
1926	68,295,801	1930	16.09
1927	83,744,293	1930	12.49
1928	89,086,305	1930	17.89
1929	129,023,594	1930	16.71
1930	179,972,507	1930	.....

*Incorporated in Delaware December 8, 1923.

**Includes Rieck-McJunkin Dairy Co. nine months ended 12/31.

***Consolidated statement including figures of companies before acquisition.

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[fol. 1386a] P. Ex. 70, pp. 6 and 7

National Biscuit Company

Incorporated under the laws of New Jersey, February 3, 1898, for 99 years; consolidation of American Biscuit & Mfg. Co., the New York Biscuit Co., and the United States Baking Co.; subsequently other smaller companies were absorbed. Company has erected and equipped several additional factories and plants; now operates plants located as follows:

Owned:

Atlanta, Ga.	Los Angeles, Calif.
Albany, N. Y.	Mansfield, O.
Baltimore, Md. (2).	Marseilles, Ill. (2).
Beacon, N. Y.	Memphis, Tenn.
Buffalo, N. Y. (2).	Milwaukee, Wis.
Burlington, Vt.	Minneapolis, Minn.
Cambridge, Mass.	New York, N. Y. (8).
Charleston, S. C.	Newark, N. J.
Chicago, Ill. (4).	Newburgh, N. Y.
Cincinnati, O. (2).	Oklahoma City, Okla.
Cleveland, O. (2).	Omaha, Neb.
Clinton, Ia.	Philadelphia, Pa. (2).
Denver, Colo.	Pittsburgh, Pa. (2).
Des Moines, Ia.	Rochester, N. Y.
Detroit, Mich.	St. Joseph, Mo.
East Liberty, Pa.	St. Louis, Mo.
Elmira, N. Y.	Salt Lake City, Utah.
Glens Falls, N. Y.	San Antonio, Tex.
Grand Rapids, Mich.	Toronto, Can.
Houston, Tex.	Watertown, N. Y.
Indianapolis, Ind.	Wilmington, N. C.
Kansas City, Mo.	York, Pa.

Leased:

Birmingham, Ala.	Syracuse, N. Y.
Perth Amboy, N. J.	Zanesville, O.

The manufacturing plants included, in many instances, their own machinery, carpenter and box shops. The company has in operation about 250 selling agencies, or branches, which receive their shipments from the manu-

facturing plants and distribute to the various customers. The company's business, aside from a small output of bread, is exclusively the manufacture of biscuit; over 225 varieties being produced, many of which are protected by trademarks and trade names.

In March, 1926, acquired controlling interest in National Milling Company, Toledo, Ohio, producing 6,000 barrels of flour daily.

[fol. 1386b] In June 1927, the Canadian company purchased Telfer Biscuit Co., Ltd., Toronto; also in 1927, company purchased Frank E. Block Biscuit Bakery in Atlanta, Ga. and McCulla & Tyler Bakery of Birmingham, Ala.

In 1928 acquired Christie, Brown & Co., Ltd., Holland Rusk Co. and in August of 1928 acquired the Iten Biscuit Co. of Nebraska, Iowa, Tennessee and Oklahoma. Acquired controlling interest in Shredded Wheat Co., January 1, 1929. In April, 1930, negotiations were under way for acquisition of Pacific Coast Biscuit Co.

Employs 25,000 people. Company has shown steady expansion and growth.

Financial Record of National Biscuit Company* as Reported by Moody's Manual of Industrials

Year ended Dec. 31	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
1920	Not reported.	....	$5,543,120	1922	....	$73,369,312	1922	7.56
1921		....	5,677,461	1922	....	75,129,597	1922	7.56
1922		....	11,024,980	1928	....	77,024,223	1922	14.31
1923		....	12,092,828	1928	....	83,243,108	1928	14.53
1924		....	12,881,530	1930	....	87,460,062	1928	14.73
1925		....	13,581,697	1930	....	90,419,197	1930	15.02
1926		....	14,674,162	1930	....	94,078,498	1930	15.60
1927		....	16,277,158	1930	....	95,760,485	1930	17.00
1928		....	17,883,365	1930	....	97,510,579	1930	18.34
1929		....	21,423,571	1930	....	106,913,669	1930	20.04
1930		....	.....	....	....	117,690,261	1930	.....

Year ended Dec. 31.	Total assets at beginning of each year.	Moody Vol.	Percent earned on total assets
1920	$77,730,025	1922	7.13
1921	80,332,875	1922	7.07
1922	83,188,073	1922	13.25
1923	90,954,396	1928	13.30
1924	95,394,207	1928	13.50
1925	98,305,470	1930	13.82
1926	102,038,736	1930	14.38
1927	106,225,633	1930	15.32
1928	109,659,335	1930	16.31
1929	120,841,623	1930	17.73
1930	133,224,842	1930	.....

*Incorporated in New Jersey February 3, 1898.

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[fol. 1387a] P. Ex. 70, pp. 9, 10, & 11

The Borden Company

In 1928, this Company embarked on an expansion program and added Ice Cream through acquisition of J. M. Horton Company and The Reid Ice Cream Company. Mince meat, dried whole milk, and dried fruit juices were added by acquiring Merrell-Soule Company. Additional products added includes Dryco Infant Food, Chateau Cheese, Eagle Brand Condensed Milk, etc.

The Company was incorporated April 24, 1899, in New Jersey, as Borden's Condensed Milk Company, successor to the New York Condensed Milk Company, also a New Jersey Company, which succeeded a business originally established in 1857. As of July 1, 1929, under a co-ordination plan, the company became solely a holding company, four wholly-owned major sub-holding companies being formed to conduct the operations of four general groups, namely:

(1) Food products group, comprising the manufacture and sale of Eagle Brand and other brands of condensed milk, evaporated, malted and dry milk, loaf, soft and fancy cheeses, casein products, caramels, mince meat, dried fruit juices, etc.
(2) Fluid milk group, handling the purchase and distribution of milk, cream, butter, eggs, etc.
(3) Ice cream group, for the manufacture and sale of ice cream and allied products.
(4) Produce group, handling the purchase, production and sale of farm produce—butter, eggs, etc.

The company and its subsidiaries employ approximately 32,242 people.

The subsidiaries through which each of the sub-holding companies operate, as of December 31, 1929, are as follows, acquisitions during 1929 being marked (*):

(1) Food Products group (controlled by Borden's Food Products Co., Inc.):
Borden's Milk Products Co., Inc.
Borden Co., Ltd. (The) (Canada)
Borden Southern Co. (The)
Borden Western Co. (The)

Borden Co. of Pennsylvania (The)
Borden Co. of Texas (The)
Bannert (F. X.) & Co., Inc.
Bannert Co., Ltd. (Canada)
[fol. 1387b] *Barber (A. H.) & Co., Inc.
*Casein Mfg. Co. of Amer., Inc. (The)
Chateau Cheese Co., Ltd.
Canadian Milk Products, Ltd. (Canada)
*Dry Milk Co., Inc. (The)
*Galloway-West Co., Inc.
*Granert Cheese Co., Inc.
*Hasselbeck Cheese Co.
Lakeside Cheese Co.
Lawrence (W. A.) & Son, Inc.
*Maricopa Creamery Co., Inc.
Menell-Sorle Co., Inc.
Menell-Sorle Co., Ltd. (England)
*Monroe Cheese Co., Inc. (The)
Moynear Co-operative Creamery, Ltd. (Canada)
*National Milk Sugar Co., Inc.
Schmitt Bros., Inc.
Thompson's Malted Milk Co., Inc.

(2) Fluid Milk group (controlled by Borden's Dairy Products Co., Inc.):

*Averill Dairy Co., Inc.
Belle-Isle Creamery Co., Inc.
Borden's Farm Products Co., Inc.
Borden's Farm Products, Ltd. (Canada)
Borden's Farm Products Co. of Ill.
*Borden's Farm Products Co. of Cal., Ltd.
Capital Dairy Co.
*Castanea Dairy Co., Inc.
*Caulfield's Dairy, Ltd. (Canada)
Cornell Dairy Products, Ltd. (Canada)
*Dairy Dale Co., Inc.
Fresno Jersey Farm Dairy Co.
Gobel-Risdon Creamery Co., Inc.
Green Mountain Dairy
Gridley Dairy Co.
Hamilton Milk Co., Inc.
Kennedy Dairy Co.
Laurentian Dairy Co., Ltd. (Canada)

Mansfield-Caughey Co.
Moores & Ross, Inc.
Ottawa Dairy, Ltd. (Canada)
*Plainfield Milk & Cream Co., Inc.
Racine Pure Milk Co., Inc.
*Springfield Dairy Products Co., Inc.
*Standard Creameries Co., Ltd.
*Terre Haute Pure Milk & Ice Cream Co., Inc.
*Walker-Gordon Lab. Co., Inc.
Wieland Dairy Co., Inc.

(3) Ice Cream group (controlled by Borden's Ice Cream & Milk Co., Inc.):

Aurora Ice Cream Co., Inc.
City Dairies Co., Inc. (The)
*Clover Ice Cream Co., Inc.
*Cunningham (John T.) Ice Cream Co., Inc.
Dairy Made Ice Cream Co., Inc.
Furnas Ice Cream Co., Inc. (The)
*Hendler Creamery Co., Inc.
*Horn Ice Cream Co., Inc. (The)
Horton (J. M.) Ice Cream Co., Inc.
*Hosler Ice Cream Co., Inc.
Jersey Ice Cream Co., Inc.
*McBride Bros. Ice Cream Co., Inc.
Muldoon Dairy Co.
Neaker Ice Cream Co., Inc. (The)
Peoples Fuel & Supply Co., Ind.
*Purity Ice Cream & Dairy Co., Inc. (The)
Reid Ice Cream Corp.
*Red Wing Corp.
*Sharpless-Hendler Ice Cream Co.
South Chicago Ice Cream Co., Inc.
*Supreme Ice Cream Co., Inc. (The)
*Trojan Ice Cream Corp.
Wieland Ice Cream Co., Inc.

(4) Produce group (controlled by Borden's Produce Co., Inc.):

*Amos Bird Co. (The)
*Augenblick (M.) & Bro., Inc.
El Paso Creamery Co.

*Fox River Butter Co., Inc.
*Hanford Produce Co.
*Keith (H. J.) Co.
*Kirschbraun Co., Inc.
*Mistletoe Creameries, Inc.
Morning Glory Creameries, Inc.
*Norfolk Poultry Co.
Pool Creamery Co.
Texas Creamery Cold Storage Co.
*Titman Egg Corp.
Western Ice Co.
*Willow Springs Creamery Co.

[fol. 1387c] In addition to the above, the company has acquired as of January 1, 1930, and subsequently, the following companies:

Adirondack Dairy Corp.
Bagel Bros. Dairy, Inc.
Ballantyne Dairies, Ltd. (Canada)
Benson Dairy Co.
Boulevard Dairy Co., Inc.
Carlsen (C.) Dairy Co.
Certified Ice Cream Co.
Collar City Creamery Co., Inc.
Canan & Fox
Chilicote Bottling Co.
Dairy Products Co. (The)
Dallas Milk Co., Inc.
Eighty-five Jane St. Corp.
Hall Ice Cream Co., Inc. (The)
Halls, Ltd.
Hamilton Dairies, Ltd. (Canada)
Hildebrecht Ice Cream Co.
Hehlfelder Dairy Co.
Home Dairy of Glens Falls
Huber Ice Cream Co.
Johnson Dairy Co.
Joubert (J. J.), Ltd.
Lone Star Ice Cream Co.
Mitchell Dairy Co., Inc. (The)
Pure Milk Co., Ltd. (Canada)

Purity Ice Cream Co.
Walkerside Dairy, Ltd. (Canada)
Westgate (W. T.) (Canada)
Willow Brook Dairy, Inc.
Windsor City Dairy, Ltd. (Canada)
Winnetka Sanitary Dairy Co.
Wint's Dairy

The following companies are also wholly-owned subsidiaries: Borden Realty Co. (incorporated in New York, Feb. 1, 1921, with a capital of $100,000, par $100 stock), which owns a 23-story office building at Madison Ave. and 45th St., New York, nine floors of which are occupied by the company; Borden's Premium Co., Inc., conducting stores for the redemption of premium labels and coupons; and The Borden Sales Co., Inc.

[fol. 1388]

P. Ex. 70, p. 12

Financial Record of The Borden Company* as Reported by Moody's Manual of Industrials

Year ended Dec. 31	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
1920	$120,293,572	1925	$2,818,860	1925	2.34	$36,141,852	1923	7.80
1921	99,879,887	1927	2,924,746	1927	2.93	35,890,577	1923	8.15
1922	92,058,759	1927	5,173,749	1927	5.62	35,006,673	1923	14.77
1923	100,245,160	1927	5,023,297	1927	5.01	36,685,632	1923	13.69
1924	109,666,633	1930	5,412,705	1930	4.94	37,518,871	1925	14.43
1925	123,352,833	1930	6,297,235	1930	5.11	41,065,879	1925	15.33
1926	124,912,098	1930	6,853,741	1930	5.49	39,641,635	1927	17.29
1927	132,046,779	1930	7,154,445	1930	5.42	47,932,760	1927	14.93
1928	180,849,995	1930	11,354,331	1930	6.28	54,904,864	1930	20.68
1929	323,466,989	1930	20,403,725	1930	6.21	92,902,359	1930	21.96
1930	.....	....	.....	....	....	131,874,740	1930	.....

Year ended Dec. 31.	Total assets at beginning of each year.	Moody Vol.	Percent earned on total assets
1920	$60,537,303	1923	4.66
1921	66,851,077	1923	4.38
1922	56,941,777	1923	9.09
1923	56,838,733	1923	8.84
1924	60,319,070	1925	8.97
1925	68,226,350	1925	9.23
1926	63,775,148	1927	10.75
1927	66,718,749	1927	10.72
1928	75,002,529	1930	15.14
1929	117,883,588	1930	17.31
1930	174,046,337	1930	.....

*Incorporated April 24, 1899 in New Jersey as Borden's Condensed Milk Co. Name changed October, 1919. Became Holding Company July 1, 1929.

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1923 Volume, page 1615
1925 " " 1031
1927 " " 1247
1930 " " 2533

[fol. 1388a] P. Ex. 70, p. 13

Standard Brands, Inc.

In 1920 this Company was known as the Fleischmann Co., and manufactured yeast, vinegar, malt, extract, dried grains and industrial alcohol. Continued as the Fleischmann Co., until Aug. 31, 1929, when it merged with the Royal Baking Powder Co., manufacturing baking powder, gelatine desserts and other products.

On the same date it merged with Chase & Sanborn, Inc., whose business was the roasting of coffees and the packing and distributing of teas and coffee.

And on the same date it also merged with E. W. Gillette Co., Ltd., Toronto, Can., a company manufacturing baking powder, dry yeast and lye in Canada.

Company also acquired entire ownership of the Widlar Food Products Co., handling the following products: pickles, olives, salad dressing, teas, coffees, canned corn and condiments.

Name of company changed to Standard Brands, Inc., on Aug. 31, 1929.

The name of the constituents and subsidiary companies are:

The Fleischmann Co.
The Fleischmann Transportation Co.
The Fleischmann Malting Co.
The American Diamalt Co.
Royal Baking Powder Co., and subsidiaries.
E. W. Gillette Co., Inc.
Chase & Sanborn, Inc.
Widlar Food Products Co.
Standard Brands of California.
Standard Brands, Ltd., Canada.
Compania de Levadura Fleischmann S. A. (Cuba).

Financial Record of Standard Brands, Incorporated,* as Reported by Moody's Manual of Industrials

Year ended Dec. 31	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
1920	... ***	....	... ***	....	....	...	....	.....
1921	**$37,194,496	1927	$4,680,250	1927	12.58	$19,801,284****	1922	23.64
1922	**38,506,689	1927	8,173,776	1927	21.23	24,646,032	1923	33.16
1923	**41,232,783	1930	8,630,566	1930	20.93	29,147,801*****	1923	29.61
1924	**46,442,692	1930	9,843,233	1930	81.19	31,810,978	1925	30.94
1925	**56,645,813	1930	13,922,106	1930	24.58	35,068,940	1925	39.70
1926	**62,951,699	1930	18,464,578	1930	29.33	41,749,274	1927	44.23
1927	**64,668,138	1930	19,423,596	1930	30.04	48,216,173	1927	40.28
1928	**64,004,366	1930	19,820,669	1930	30.97	51,247,270	1929	38.68
1929	... ***	....	... ***	....	....	55,800,760	1929	.....
1930	...	....	...	....	....	68,959,487	1930	.....

Year ended Dec. 31.	Total assets at beginning of each year.	Moody Vol.	Percent earned on total assets
1920	...	....	.....
1921	$35,575,223 ****	1922	13.16
1922	40,490,971	1923	20.19
1923	43,514,267 *****	1923	19.83
1924	48,255,212	1925	20.40
1925	52,965,260	1925	26.29
1926	62,642,628	1927	29.48
1927	72,587,889	1927	26.76
1928	77,799,358	1929	25.48
1929	82,952,006	1929	.....
1930	77,466,133	1930	.....

*Incorporated in Delaware June 28, 1929.
**The Fleischman Co. and Subsidiaries.
***Figures not reported.
****June 30, 1920.
*****Oct. 31, 1922.

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1927	Volume, page 957	1927	Volume, page 743
1923	" " 1768	1929	" " 57
1925	" " 1102	1930	" " 2493

[fol. 1389a] P. Ex. 70, pp. 15, 16, and 17

General Foods Corporation

Incorporated in Delaware Feb. 15, 1922, as Postum Cereal Co., Inc., succeeding a company of the same name incorporated Jan. 22, 1920. Name changed to Postum Co., Inc., Mar. 9, 1927, and to present title July 24, 1929.

The following is a list of companies acquired chronologically arranged according to the year in which they were acquired:

1925—The Jell-O Co., Inc.
1926—Iglehart Bros., Inc.
Minute Tapioca Co.
1927—Walter Baker & Co., Ltd.
Franklin Baker Co.
Richard Hellman, Inc.
The Log Cabin Products Co.
1928—Cheek-Neal Coffee Co.
La France Mfg. Co.
Calumet Baking Powder Co.
1929—Certo Corporation.
Frosted Foods Company, Inc.
General Sea Foods Corporation.
Whitman, Ward & Lee Co.
Arnold & Winsor Co.
Batchelder, Snyder, Dorr & Doe Co.
Frank C. Pearce Co.
Mitchell & McNeill, Ltd.
North Atlantic Oyster Farms, Inc.
Diamond Crystal Salt Co.
Blue Point Co., Inc.
Douglas-Pectin, Ltd.

Products of General Foods and affiliated companies chronologically arranged according to the year in which they were added:

1920—Postum Cereal.
to Instant Postum.
1924 Grape-Nuts.
Post Toasties.
Post's Bran Flakes.
Post's Whole Bran.

1925—Jell-O.
Institution Jell-O.
Genesee Plain Gelatin.
Genesee Gelatin Dessert.
Genesee Pudding Powder.
D-Zerta.
Ice Cream Powder.

[fol. 1389b]

1926—Swans Down Cake Flour.
Instant Swans Down.
Swans Down Graham Flour.
Minute Tapioca.
Minute Gelatin.
Star Pearl Tapioca.
Lightning Tapioca.
1927—Walter Baker's Premium No. 1 Chocolate.
Walter Baker's Breakfast Cocoa.
Walter Baker's Dot Sweet Chocolate.
Walter Baker's Caracas Sweet Chocolate.
Walter Baker's German's Sweet Chocolate.
Walter Baker's Milk Chocolate Bar.
Walter Baker's Milk Chocolate Almond Bar.
Walter Baker's Chocolate Coatings and Liquors.
Post's Bran Chocolate.
Franklin Baker's Premium Shred Coconut.
Franklin Baker's Brazil Shred Coconut.
Franklin Baker's Milk Packed Coconut.
Franklin Baker's Southern Style Coconut.
Franklin Baker's Banner Coconut.
Franklin Baker's Snow Drift Coconut.
Franklin Baker's Bulk Coconut.
Coconut Oil.
Copra Oil Cake.
Cashew Nuts.
Log Cabin Syrup.
Wigwam Syrup.
Hellmann's Mayonnaise.
Hellmann's Olive Relish.
Hellmann's Thousand Island Dressing.
Hellmann's Russian Dressing.
Hellmann's Sandwich Spread.
Hellmann's Southern Relish.

Hellmann's Tartar Sauce.
Hellmann's Horse Radish.
Hellmann's Beet Radish.
1928—Maxwell House Coffee.
Maxwell House Tea.
Maxwell House Tea Balls.
Calumet Baking Powder.
La France.
Satina.
1929—Certo.
Pectin.
Sanka Coffee (De-Caffeinated).
Diamond Crystal Salt.
Products of General Seafoods Corporation—Fish and Other Seafoods;
Products of Batchelder, Snyder, Dorr & Doe Co.—Meats, Fruits, Vegetables, Dairy Products, Preserves, and Condiments.
Blue Point Oysters.
Sealshipt Oysters.
By-products of Corn and Wheat
Wheat Flour.
Corn Flour.
Corn Meal.
Chops, Crits.
Corn Oil.
Cattle Feeds.

[fol. 1389c] Batchelder & Snyder Co.: This company was incorporated under the laws of Massachusetts in 1900. Engaged in food distributing in New England and does a large business in the processing of meat products, sausage manufacturing, poultry dressing, curing of hams, etc.; in addition does a large wholesale business in dairy products and provisions. Plant located in Boston. Company was acquired by General Foods Corporation in 1929.

Quotation from the annual report of the General Foods Corporation:

"One example of how General Foods keeps step with the latest scientific developments is to be found in the Birdseye Quick-Freezing Process. For many years the trend has been toward packaged products. This trend has been confined largely to non-perishable foods. But with the de-

velopment of the Birdseye Quick-Freezing Process the house-wife may soon buy perishable products, as well, in package form.

"The quick-freezing process was invented by a New England scientist named Clarence Birdseye. Fresh food is packaged and then subjected suddenly to a temperature of 50 degrees below zero. The freshness and flavor of the food are sealed in, and they remain sealed in until the food is cooked or served by the housewife.

"The process has been used for several years by General Seafoods Corporation in the handling of fish fillets. It is expected that meats, vegetables, and a number of fruits will be distributed in quick-frozen, packaged form."

Plants are located at Battle Creek, Mich., Leroy and Fairport, N. Y., Evansville, Ind., Chicago, Ill., Hoboken, N. J., Long Island City, N. Y., Orange and Dorchester, Mass., Bridgeburg and Windsor, Ont., Montreal, Can., Manila and San Pabla, P. I. Employs 5,000 people.

[fol. 1390]

P. Ex. 70, p. 18

Financial Record of General Foods Corporation** as Reported by Moody's Manual of Industrials

Year ended Dec. 31	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
1920	$21,910,177	1926	$1,119,902	1926	5.11	*	....	.....
1921	17,774,284	1926	2,101,677	1926	11.82	$11,160,862	1924	18.83
1922	17,877,364	1928	2,878,722	1928	16.10	8,706,956	1924	33.06
1923	22,205,410	1928	2,881,466	1928	12.98	10,469,611	1924	27.52
1924	24,247,940	1930	4,105,357	1930	16.93	11,866,105	1924	34.60
1925	27,386,919	1930	4,684,162	1930	17.10	12,778,721	1926	36.66
1926	46,896,274	1930	11,317,442	1930	24.13	13,585,108	1926	83.31
1927	57,287,853	1930	11,368,219	1930	19.84	17,754,078	1928	64.03
1928	101,037,091	1930	14,555,683	1930	14.41	30,783,731	1928	47.28
1929	128,036,791	1930	19,422,314	1930	15.17	47,908,620	1930	40.54
1930	.....	....	.....	....	....	59,561,002	1930	.....

Year ended Dec. 31.	Total assets at beginning of each year.	Moody Vol.	Percent earned on total assets
1920	$..... *	....	.....
1921	12,956,732	1924	16.22%
1922	10,511,104	1924	27.39
1923	11,533,435	1924	24.98
1924	12,899,790	1924	31.82
1925	13,845,691	1926	33.83
1926	15,933,308	1926	71.03
1927	20,369,953	1928	55.81
1928	37,379,227	1928	38.94
1929	56,546,700	1930	34.35
1930	70,503,782	1930	.....

* Not reported.

**Incorporated in Delaware February 15, 1922.
Changed to Postum Company, Inc., March 9, 1927 and to present Company July 24, 1929.

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1924 Volume, page 392
1926 " " 616
1928 " " 1617
1930 " " 3015

P. Ex. 70, pp. 19 & 20

[fol. 1390a] Gold Dust Corporation

Until September 1923, this company was known as American Cotton Oil Co., at which time it liquidated its assets and withdrew from the cotton seed oil business, concentrated on soap and washing powder business and changed its name to Gold Dust Corporation.

In November, 1925, it acquired F. F. Dalley Corporation and subsidiaries, manufacturers of shoe polish.

In December, 1928, it acquired the American Linseed Co., after which it discontinued the linseed oil business and retained the Best Foods Co., a subsidiary, through which it added "Best Food" products consisting of Nucoa Margarine, Mayonnaise, Relish spread, Peanut Butter, Thousand Island Dressing, Shortening, Bread and Butter Pickles, and Pickle Relish. In February, 1929, it acquired Standard Milling Co., through which it added the following products: Heckers' Superlative Ceresota, H-O-Oats, Heckers' Cream Farina, and Force.

Standard Milling Co. is one of the leading flour milling companies in the country.

In September, 1929, it acquired 46,000 shares of Beech-Nut Packing Co. from United Cigar Stores Co.

Subsidiaries of Gold Dust Corporation:

Gold Dust Corp., Ltd., Canada.
2 in 1-Shinola-Bixby Corp.
2 in 1 Polishes, Ltd., Canada.
The Best Foods, Inc.
American Linseed Co. of Calif.
Northern Cocoanut Products Corp.
Fanning Bread & Buttle Pickle Co., Inc.
Preserves & Honey, Inc.
The Best-Clymer Co.
Daisy Roller Mills.
Duluth-Superior Milling Co.
Empire State Flour Mills.
Hecker-H-O Co., Inc.
Hecker-H-O Co. of Canada, Ltd.
Hecker-Jones-Jewell Milling Co.

Northwestern Consolidated Milling Co., Minnesota..
[fol. 1390b] Northwestern Consolidated Milling Co. of New York.
Standard Milling Co. of N. Y., Inc.
Standard Milling Co. of Canada, Ltd.
James Goldie Co., Ltd., Canada.
Galt Flour Mills, Ltd.
S. J. Cherry & Sons, Ltd.
Wyandotte Elevator Co., Inc.

Financial Record of Gold Dust Corporation* as Reported by Moody's Manual of Industrials

Year ended Aug. 31,	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
American Cotton Seed Oil Co., 1920	Not given	....	D $2,392,531***	1923	....	$43,671,353***	1923	5.48 loss
" " " 1921	" "	....	D 2,934,512***	1923	....	40,059,791***	1923	7.33 loss
" " " 1922	" "	....	D 2,479,390***	1923	....	37,125,279***	1923	6.68 loss
" " " 1923	" "	....	Not given	....	....	34,645,889***	1923	.....
Gold Dust Corporation, 1924	" "	....	673,099**	1929	....	760,015****	1925	88.56
" 1925	" "	....	677,885**	1929	....	867,542***	1926	78.14
" 1926	" "	....	867,375**	1929	....	1,580,927***	1927	54.86
" 1927	" "	....	1,827,650**	1929	....	2,960,757***	1928	61.73
" 1928	" "	....	2,731,769**	1929	....	2,519,753***	1928	108.41
Dec. 31, Gold Dust Corporation, 1929	" "	....	7,586,964	1930	....	13,532,952*****	1929	45.89
" 1930	" "	....	.....	....	....	31,173,314	1930	.....

Year ended Aug. 31	Total assets at beginning of each year.	Moody Vol.	Percent earned on total assets
American Cotton Seed Oil Co. 1920	$62,863,174 ***	1923	3.81 loss
" " " 1921	64,372,575 ***	1923	4.56 loss
" " " 1922	55,144,748 ***	1923	4.50 loss
" " " 1923	51,749,014 ***	1923	.....
Gold Dust Corporation, 1924	8,743,681 ****	1925	7.70
" 1925	7,230,072 ***	1926	9.36
" 1926	5,598,149 ***	1927	15.49
" 1927	9,620,413 ***	1928	19.00
" 1928	8,946,448 ***	1928	30.53
Dec. 31, Gold Dust Corporation, 1929	27,517,788 *****	1929	27.57
" 1930	52,945,323	1930	.....

*Incorporated in New Jersey December 20, 1928 (Formerly American Cotton Oil Company).
**Gold Dust Corp. Fiscal Years Ended Aug. 31.
***Aug. 31—American Cotton Oil Co.
****Jan. 31, 1924.
*****Oct. 31, 1928.

D Deficit American Cotton Oil Co.

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1923	Volume, page	10	1927	Volume, page	66
1924	" "	2027	1928	" "	65
1925	" "	82	1929	" "	3051
1926	" "	543	1930	" "	649

[fol. 1391a] P. Ex. 70, Pp. 22 and 23

Beatrice Creamery Company

Incorporated November 20, 1924, in Delaware, to take over all assets of Beatrice Creamery Co., of Iowa, incorporated Mar. 1, 1905, in Iowa. Companies products include cream, butter, milk, ice cream, eggs, and dressed poultry. Most of the butter and other products are sold direct to grocers, hotels, and restaurants, and in some sections direct to consumers. In the principal producing centers company operates its own distributing branches. Brands include Meadow Gold and Holland.

Company and its subsidiaries operate 81 manufacturing plants and cold storage plants, which also act as sales branches; located in the following states:

Colorado	Michigan	Pennsylvania
Connecticut	Missouri	South Dakota
Illinois	Montana	Wisconsin
Indiana	Nebraska	Wyoming
Iowa	Ohio	
Kansas	Oklahoma	

Also operate distributing branches in the following cities:

New York	Norfolk, Va.
Cleveland	Hartford, Conn.
Boston	Springfield, Mass.
Pittsburgh	El Paso, Texas
Washington, D. C.	Wilkes-Barre, Pa.
Worcester, Mass.	Portland, Me.
Richmond, Va.	

Either directly or through subsidiaries company owns all or practically all of the capital stock of each of the following companies:

Pioneer Creamery Co. (Ill.)
Bond Dairy Co. (Ill.)
Charleston Dairy Co. (Ill.)
Holland Butter Co. (Ill.)
Holland Butter Co. (Mass.)
Pioneer Creamery Co. (S. D.)
Hutchinson Ice Cream Co. (Ia.)

The Windsor Farm Dairy Co. (Colo.)
City Park Dairy Co. (Colo.)
The Weber Ice Cream Co. (Mo.)
The White Mountain Creamery Co. (O.)
The White Mountain Dairy Co. (O.)
Detroit Refrigerating Co. (Mich.)
Lackawanna Cold Storage Co. (Pa.)
Tip Top Creamery Co. (Ind.)
Tri-City Realty Co. (Ind.)
The Mowry Creamery Co. (Colo.)
Climax Dairy, Inc. (Colo.)
Iowa Dairy Co. (Ia.)
College City Ice Cream Co. (Ill.)
Central Illinois Ice Cream Co. (Ill.)
Snow & Palmer Co. (Ill.)
Franklin Ice Cream Co. (Neb.)
Kankakee Ice Cream Co. (Ill.)
Wright Ice Cream Co. (Ill.)
Wichita Creamery Co. (Kan.)
Illinois Dairy Co. (Ill.)
Mattoon Ice Cream Co. (Ill.)
Champaign Sanitary Milk Co. (Ill.)
Clinton Dairy Products Co. (Ill.)
Champaign Ice Cream Co. (Ill.)
[fol. 1391b] Capital City Ice Cream Co. (Ill.)
Gibson City Ice Cream Co. (Ill.)
Union Dairy Products Co. (Ill.)
The Davidson Dairy Co. (Colo.)
The Model Dairy Co. (Colo.)
Lambrecht Creamery (Wis.)
Bredehoft Dairy Co. (Ill.)
A. F. Thibodeau Co. (Mich.)
Himes Bros. Dairy Co. (O.)
Keokuk Ice Cream Co. (Ia.)
Callahan Dairy Co. (Ill.)
Harry E. Grafeman Milk Co. (Mo.)
The Sumner Co. (O.)
The Sumner Creamery Co. (O.)
Tullis Ice Cream Co. (Mo.)
Centrox Dairy, Inc. (Ia.)
Omaha Dairy Products Co., Inc. (Neb.)
The Greeley Creamery Co. (Colo.)
Fort Madison Creamery Co. (Ia.)

Financial Record of Beatrice Creamery Company* as Reported by Moody's Manual of Industrials

Year ending	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
Dec. 31; 1920	$46,443,779	1923	$ 862,955	1925	1.87	$9,873,305	1923	8.74
" " 1921	35,238,008	1923	955,510	1927	2.71	9,924,761	1923	9.63
" " 1922	34,142,896	1923	1,176,168	1928	3.44	10,074,825	1923	11.64
" " 1923	46,378,352	1925	990,312	1928	2.14	10,430,036	1923	9.49
Feb. 28, following, 1924	46,894,592	1925	1,009,807	1928	2.15	10,483,710	1925	9.63
" 1925	35,050,915	1930	1,049,747	1930	2.99	10,636,017	1925	9.87
" 1926	33,974,342	1930	1,046,414	1930	3.08	10,891,051	1927	9.61
" 1927	52,744,029	1930	1,221,021	1930	2.31	12,107,588	1928	10.08
" 1928	53,307,111	1930	1,578,659	1930	2.96	14,707,845	1928	10.73
" 1929	83,681,636	1930	2,538,620	1930	3.03	18,169,579	1930	13.97
" 1930	.....	....	.....	....	....	24,408,731	1930	.....

Year ending	Total assets at beginning of each year.	Moody Vol.	Percent earned on total assets
Dec. 31, 1920	$11,274,456	1923	7.65
" " 1921	10,961,354	1923	8.72
" " 1922	10,872,363	1923	10.82
" " 1923	11,189,649	1923	8.85
Feb. 28, following, 1924	11,607,291	1925	8.70
" " " 1925	11,599,913	1925	9.05
" " " 1926	11,837,586	1927	8.83
" " " 1927	12,979,229	1928	9.41
" " " 1928	15,889,739	1928	9.94
" " " 1929	19,542,263	1930	12.99
" " " 1930	25,932,672	1930	.....

*First incorporated in Iowa March 1, 1905. Present company incorporated November 20, 1924.

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1925 " " 1878
1927 " " 2298
1928 " " 1219
1930 " " 2255

[fol. 1392a] P. Ex. 70, p. 25

United States Dairy Products Corporation

Incorporated in Maryland December 28, 1922. Owns entire capital stock of Woodlawn Farm Dairy Company, which in turn owns entire capital stock of Woodlawn Milk Products Company and on February 1, 1928, acquired business and assets of Brown-Wright Dairy Company, Scranton, Pa.

Corporation also owns Philadelphia Dairy Products Company, which consolidated a number of companies formerly controlled by United States Dairy Products Corporation. Subsidiaries are engaged in sale of milk, ice cream and other dairy products in Philadelphia and suburbs; also in Reading, Harrisburg, Scranton, Wilkes-Barre, Pottstown, Lebanon, Carlisle and Steelton, Pa., Wilmington and Laurel, Del., and other points. Pasteurizing and bottling plants are located in Philadelphia, Scranton, Wilkes-Barre, and Ardmore, Pa., Gloucester, N. J., Allentown, Pa., Atlanta, Ga., Richmond and Norfolk, Va., Asbury Park, N. J. and Brooklyn, N. Y. Two country pasteurizing plants and five condenseries are also owned and operated. Ice cream plants at Philadelphia and Pottstown, Pa., and Newark, N. J., Kingston, Pa., Atlanta, Ga., and Waynesboro, Pa. Company's transportation equipment includes 19 glass lined tank trucks, 8 tractors, 26 trailers, 350 gasoline trucks, 18 electric trucks, 81 miscellaneous motor vehicles, 603 horses and 560 wagons. Number of employees, 2,500.

The company has shown a steady growth since 1922 and has over the period made a number of acquisitions.

 Financial Record of United States Dairy Products Corporation* as Reported by Moody's Manual of Industrials

Year ended Dec. 31	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
1921	$3,563,805***	1924	$278,448***	1924	7.81	******	.....	.....
1922	3,679,306***	1924	293,667***	1924	7.98	******	.....	.....
1923	4,468,772	1928	119,509	1928	2.67	$1,141,900**	1923	10.47
1924	4,695,861	1930	224,597	1930	4.78	1,547,124	1924	14.52
1925	9,059,776	1930	312,000	1930	3.44	4,632,462	1926	6.74
1926	13,929,937	1930	760,978	1930	5.46	5,011,410	1926	15.18
1927	14,858,229	1930	739,439	1930	4.98	6,951,358	1928	10.64
1928	19,281,070	1930	1,169,301	1930	6.06	9,864,850	1928	11.85
1929	24,713,016	1930	1,714,961	1930	6.94	12,307,502	1930	13.93
1930	.....	....	.....	....	....	14,705,582	1930	.....

Year ended Dec. 31.	Total assets at beginning of each year.	Moody Vol.	Percent earned on total assets
1921	******	....	.....
1922	******	....	.....
1923	$2,072,875 **	1923	5.77
1924	2,634,771	1924	8.52
1925	8,846,987	1926	3.53
1926	11,430,679	1926	6.66
1927	15,786,383	1928	4.68
1928	18,376,742	1928	6.36
1929	22,718,047	1930	7.55
1930	27,230,409	1930	.....

*Incorporated in Maryland December 28, 1922.
**Dec. 1, 1922.
***Only Sales and Earnings published.
****Not Reported.

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1924 " " 1613
1926 " " 2350
1928 " " 1685
1930 " " 2312

(Pages 1 and 2 of Petitioner's Exhibit 71 follow, side folios 1394, 1395, and 1396)

[fol. 1394]

PET'S EX. 71

Financial Record Fifteen Non-Defendant Packers, as Reported by Moody's Manual of Industrials

[fol. 1395]

P. Ex. 71, p. 1

Fifteen Non-Defendant Packers

Sales, Earnings and Percentage of Earnings to Sales, Invested Capital and Total Assets, Period 1920 to 1930, as Reported by Moody's Manual of Industrials

Sales (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928
John Morrell and Company	.....	.....	.....	.....	.....	.....	$78,166	$72,885	.....
Beech-Nut Packing Company	$12,050	$11,610	$14,604	$17,629	$18,963	$21,567	21,821	22,274	$23,368
George A. Hormel and Company	25,324	19,587	13,892	22,649	.....	.....	36,628	34,509	34,832
Roberts and Oake, Incorporated	.....	.....	.....	.....	.....	.....	.....	10,605	11,839
Rath Packing Company	.....	.....	.....	.....	.....	.....	.....	.....	31,780
John J. Felin and Company, Incorporated	11,446	8,957	9,326	9,449	10,128	11,395	13,156	12,198	12,268
Brennan Packing Company	9,631	7,592	8,746	9,508	11,511	13,269	14,342	12,386	12,979
Miller and Hart, Incorporated	.....	.....	.....	.....	.....	.....	.....	10,123	9,863
Jacob Dold Packing Company	56,512	49,379	48,829	44,780	46,291	57,959	51,026	47,313	51,597
Hygrade Food Products Corporation	.....	.....	.....	.....	.....	4,857	5,836	4,603(1)	8,661
E. Kahn's Sons Company	.....	.....	.....	7,270	8,505	10,903	11,062	11,184	13,992
East Side Packing Company	.....	5,702	7,659	10,094	12,137	17,650	21,171	22,545	22,659
Oscar Mayer and Company	11,187	9,350	10,012	8,591(2)	11,180	13,536	17,737	18,692	21,631
Adolf Gobel, Incorporated	.....	7,052	7,306	7,181	7,293	8,252	8,865	8,287	21,245
Columbus Packing Company	.....	.....	.....	.....	.....	.....	.....	13,271	14,846
Total	$126,150	$119,229	$120,374	$137,151	$126,008	$159,388	$279,810	$300,875	$291,560

Net Earnings Available for Dividends (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928
John Morrell and Company	.....	.....	.....	.....	.....	.....	$2,014	$1,656	.....
Beech-Nut Packing Company	$500	$726	$1,937	$2,014	$2,188	$2,099	2,012	2,301	$2,769
George A. Hormel and Company	366	410L	749	.....	.....	.....	1,186	466	1,268
Roberts and Oake, Incorporated	.....	.....	.....	.....	.....	.....	.....	109	546
Rath Packing Company	.....	.....	.....	.....	.....	.....	.....	.....	1,049
John J. Felin and Company, Incorporated	217	354	304	399	299	257	248	255	381
Brennan Packing Company	214L	80	218	331	405	272	358	46	531
Miller and Hart, Incorporated	.....	.....	.....	.....	.....	.....	.....	322	519
Jacob Dold Packing Company	79	1,461L	475L	65	376	334L	383	211L	406
Hygrade Food Products Corporation	.....	.....	.....	.....	.....	102	182	154(1)	217
E. Kahn's Sons Company	.....	.....	.....	331	287	319	362	367	307
East Side Packing Company	.....	5	60	98	160	128	124	144	180
Oscar Mayer and Company	10	116	128	158(2)	158	179	314	106	291
Adolf Gobel, Incorporated	.....	384	348	496	399	218	218	408	563
Columbus Packing Company	.....	.....	.....	.....	.....	.....	.....	117	224
Total	$958	$206L	$3,269	$3,892	$4,272	$3,240	$7,401	$6,240	$9,251
Percent Earned on Sales:									
Weighted Average on Companies Reported	.76%	.17%L	2.72%	3.40%	3.39%	2.03%	2.65%	2.07%	3.17%
Number of Companies Included in Arriving at Percentages	6	8	8	8	8	9	11	14	14

(1) 9½ months.
(2) 11 months.
L—Loss.

PET'S EX. 71

Financial Record Fifteen Non-Defendant Packers, as Reported by Moody's Manual of Industrials

P. Ex. 71, p. 1

Fifteen Non-Defendant Packers

Sales, Earnings and Percentage of Earnings to Sales, Invested Capital and Total Assets, Period 1920 to 1930, as Reported by Moody's Manual of Industrials

Sales (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929
l and Company	.....	.....	.....	.....	.....	.....	$78,166	$72,885	.....	$94,661
Packing Company	$12,050	$11,610	$14,604	$17,629	$18,963	$21,567	21,821	22,274	$23,368	23,732
lormel and Company	25,3.4	19,587	13,892	22,649	.....	.....	36,628	34,509	34,832	38,220
Oake, Incorporated	.....	.....	.....	.....	.....	.....	.....	10,605	11,839	.....
g Company	.....	.....	.....	.....	.....	.....	.....	.....	31,780	33,932
n and Company, Incorporated	11,446	8,957	9,326	9,449	10,128	11,395	13,156	12,198	12,268	13,887
cking Company	9,631	7,592	8,746	9,508	11,511	13,269	14,342	12,386	12,979	13,598
Hart, Incorporated	.....	.....	.....	.....	.....	.....	.....	10,123	9,863	10,507
Packing Company	56,512	49,379	48,829	44,780	46,291	57,959	51,026	47,313	51,597	52,909
od Products Corporation	.....	.....	.....	.....	.....	4,857	5,836	4,603(1)	8,661	.....
ons Company	.....	.....	.....	7,270	8,505	10,903	11,062	11,184	13,992	17,802
acking Company	.....	5,702	7,659	10,094	12,137	17,650	21,171	22,545	22,659	21,919
r and Company	11,187	9,350	10,012	8,591(2)	11,180	13,536	17,737	18,692	21,631	23,492
Incorporated	.....	7,052	7,306	7,181	7,293	8,252	8,865	8,287	21,245	46,032
acking Company	.....	.....	.....	.....	.....	.....	.....	13,271	14,846	16,785
	$126,150	$119,229	$120,374	$137,151	$126,008	$159,388	$279,810	$300,875	$291,560	$407,476

Net Earnings Available for Dividends (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929
l and Company	.....	.....	.....	.....	.....	.....	$2,014	$1,656	.....	$3,436
Packing Company	$500	$726	$1,937	$2,014	$2,188	$2,099	2,012	2,301	$2,769	2,703
lormel and Company	366	410L	749	.....	.....	.....	1,186	466	1,268	2,217
Oake, Incorporated	.....	.....	.....	.....	.....	.....	.....	109	546	501
g Company	.....	.....	.....	.....	.....	.....	.....	.....	1,049	495
n and Company, Incorporated	217	354	304	399	299	257	248	255	381	416
cking Company	214L	80	218	331	405	272	358	46	531	398
Hart, Incorporated	.....	.....	.....	.....	.....	.....	.....	322	519	266
Packing Company	79	1,461L	475L	65	376	334L	383	211L	406	248
od Products Corporation	.....	.....	.....	.....	.....	102	182	154(1)	217	.....
ons Company	.....	.....	.....	331	287	319	362	367	307	202
acking Company	.....	5	60	98	160	128	124	144	180	183
r and Company	10	116	128	158(2)	158	179	314	106	291	146
Incorporated	.....	384	348	496	399	218	218	408	563	131
acking Company	.....	.....	.....	.....	.....	.....	.....	117	224	67
	$958	$206L	$3,269	$3,892	$4,272	$3,240	$7,401	$6,240	$9,251	$11,409
Percent Earned on Sales:										
verage on Companies Reported	.76%	.17%L	2.72%	3.40%	3.39%	2.03%	2.65%	2.07%	3.17%	2.68%
Companies Included in Arriving at Percentages.	6	8	8	8	8	9	11	14	14	13

months.
months.
.

[fol. 1396]

P. Ex. 71, p. 2

Fifteen Non-Defendant Packers' Sales, Earnings and Percentage of Earnings to Sales, Invested Capital and Total Assets, Period 1920 to 1930, as Reported by Moody's Manual of Industrials

Total Stockholders' Investment (Includes Capital Stock and Surplus at the Beginning of Each Year) (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929
John Morrell and Company	.....	.....	.....	.....	.....	.....	.....	.....	.....	$17,63
Beech-Nut Packing Company	$6,476	$6,784	$7,434	$9,042	$10,142	$11,187	$11,971	$12,884	$16,454	15,44
George A. Hormel and Company	.....	.....	3,584	3,785	4,359	.....	.....	.....	.....	6,81
Roberts and Oake, Incorporated	.....	.....	.....	.....	.....	.....	.....	.....	.....	2,43
Rath Packing Company	.....	.....	.....	.....	.....	.....	.....	.....	.....	6,21
John J. Felin and Company, Incorporated	.....	1,839	2,153	2,305	2,478	2,626	2,683	2,803	2,874	3,02
Brennan Packing Company	.....	2,484	2,379	2,500	2,606	2,859	2,980	3,190	3,190	3,59
Miller and Hart, Incorporated	.....	.....	.....	.....	.....	.....	.....	.....	.....	2,94
Jacob Dold Packing Company	9,294	9,146	8,184	8,165	7,969	7,921	6,016	6,520	6,238	6,61
Hygrade Food Products Corporation	.....	.....	.....	.....	.....	.....	.....	.....	1,618	9,69
E. Kahn's Sons Company	.....	.....	.....	.....	.....	.....	4,130	3,890	4,291	3,58
East Side Packing Company	.....	.....	.....	1,151	1,239	1,347	1,419	1,483	1,711	1,83
Oscar Mayer and Company	2,613	2,607	2,591	2,501	2,579	2,625	2,703	2,930	2,271	3,16
Adolf Gobel, Incorporated	.....	.....	.....	.....	.....	.....	930	1,036	1,387	5,85
Columbus Packing Company	.....	.....	.....	.....	.....	.....	.....	.....	.....	2,18
Total	$18,383	$22,780	$26,325	$29,449	$31,372	$28,565	$32,832	$34,736	$40,034	$91,04
Percent Earned on Stockholders' Investment										
Weighted Average on Companies Reported	2.48%	5.80%L	10.87%	12.00%	13.28%	9.11%	12.24%	9.83%	14.10%	14.02%
Number of Companies Included in Arriving at Percentages	3	5	6	6	6	6	8	8	9	1

Total Assets (at the Beginning of Each Year) (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929
John Morrell and Company	.....	.....	.....	.....	.....	.....	.....	.....	.....	$23,13
Beech-Nut Packing Company	$8,050	$9,117	$9,200	$11,073	$12,368	$13,572	$15,572	$16,962	$19,860	18,14
George A. Hormel and Company	.....	.....	7,036	6,022	6,629	.....	.....	.....	.....	7,84
Roberts and Oake, Incorporated	.....	.....	.....	.....	.....	.....	.....	.....	.....	4,18
Rath Packing Company	.....	.....	.....	.....	.....	.....	.....	.....	.....	8,44
John J. Felin and Company, Incorporated	.....	2,225	2,579	2,634	2,862	2,980	2,991	3,104	3,032	3,18
Brennan Packing Company	.....	2,555	2,424	2,622	2,797	3,122	3,209	3,313	3,231	3,72
Miller and Hart, Incorporated	.....	.....	.....	.....	.....	.....	.....	.....	.....	4,95
Jacob Dold Packing Company	19,139	17,871	16,983	17,946	16,405	14,841	14,893	15,505	14,796	15,00
Hygrade Food Products Corporation	.....	.....	.....	.....	.....	.....	.....	.....	3,082	16,84
E. Kahn's Sons Company	.....	.....	.....	.....	.....	.....	4,373	4,087	5,907	5,46
East Side Packing Company	.....	.....	.....	2,074	2,266	2,395	2,451	2,403	2,497	2,51
Oscar Mayer and Company	3,258	2,960	2,962	3,236	3,139	3,332	3,379	3,677	3,964	4,12
Adolf Gobel, Incorporated	.....	.....	.....	.....	.....	.....	2,032	2,022	2,340	9,68
Columbus Packing Company	.....	.....	.....	.....	.....	.....	.....	.....	.....	2,69
Total	$30,447	$34,728	$41,184	$45,607	$46,466	$40,242	$48,900	$51,073	$58,709	$129,95
Percent Earned on Total Assets										
Weighted Average on Companies Reported	1.92%	.53%L	4.52%	6.94%	9.00%	6.46%	8.22%	6.70%	9.62%	10.09%
Number of Companies Included in Arriving at Percentages	3	5	6	6	6	6	8	8	9	1

L—Loss.

P. Ex. 71, p. 2

Fifteen Non-Defendant Packers' Sales, Earnings and Percentage of Earnings to Sales, Invested Capital and Total Assets, Period 1920 to 1930, as Reported by Moody's Manual of Industrials

Total Stockholders' Investment (Includes Capital Stock and Surplus at the Beginning of Each Year) (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930
ll and Company	.....	.....	.....	.....	.....	.....	.....	.....	.....	$17,639	$19,853
Packing Company	$6,476	$6,784	$7,434	$9,042	$10,142	$11,187	$11,971	$12,884	$16,454	15,448	16,910
Hormel and Company	.....	.....	3,584	3,785	4,359	.....	.....	.....	.....	6,818	11,019
d Oake, Incorporated	.....	.....	.....	.....	.....	.....	.....	.....	.....	2,438	2,606
ng Company	.....	.....	.....	.....	.....	.....	.....	.....	.....	6,219	5,877
n and Company, Incorporated	.....	1,839	2,153	2,305	2,478	2,626	2,683	2,803	2,874	3,029	3,170
cking Company	.....	2,484	2,379	2,500	2,606	2,859	2,980	3,190	3,190	3,594	3,746
Hart, Incorporated	.....	.....	.....	.....	.....	.....	.....	.....	.....	2,942	3,105
Packing Company	9,294	9,146	8,184	8,165	7,969	7,921	6,016	6,520	6,238	6,613	6,842
od Products Corporation	.....	.....	.....	.....	.....	.....	.....	.....	1,618	9,691	8,915
ons Company	.....	.....	.....	.....	.....	.....	4,130	3,890	4,291	3,588	3,507
acking Company	.....	.....	.....	1,151	1,239	1,347	1,419	1,483	1,711	1,831	1,924
r and Company	2,613	2,607	2,591	2,501	2,579	2,625	2,703	2,930	2,271	3,164	3,220
l, Incorporated	.....	.....	.....	.....	.....	.....	930	1,036	1,387	5,851	6,286
Packing Company	.....	.....	.....	.....	.....	.....	.....	.....	.....	2,183	2,163
l	$18,383	$22,780	$26,325	$29,449	$31,372	$28,565	$32,832	$34,736	$40,034	$91,048	$101,143
rned on Stockholders' Investment											
verage on Companies Reported	2.48%	5.80%L	10.87%	12.00%	13.28%	9.11%	12.24%	9.83%	14.10%	14.02%	.....
Companies Included in Arriving tages	3	5	6	6	6	6	8	8	9	14	.....

Total Assets (at the Beginning of Each Year) (in Thousands)

	1920	1921	1922	1923	1924	1925	1926	1927	1928	1929	1930
ll and Company	.....	.....	.....	.....	.....	.....	.....	.....	.....	$23,135	$23,487
Packing Company	$8,050	$9,117	$9,200	$11,073	$12,368	$13,572	$15,572	$16,962	$19,860	18,142	19,210
Hormel and Company	.....	.....	7,036	6,022	6,629	.....	.....	.....	.....	7,849	12,901
d Oake, Incorporated	.....	.....	.....	.....	.....	.....	.....	.....	.....	4,181	4,313
ng Company	.....	.....	.....	.....	.....	.....	.....	.....	.....	8,448	6,343
n and Company, Incorporated	.....	2,225	2,579	2,634	2,862	2,980	2,991	3,104	3,032	3,189	3,305
cking Company	.....	2,555	2,424	2,622	2,797	3,122	3,209	3,313	3,231	3,721	4,133
Hart, Incorporated	.....	.....	.....	.....	.....	.....	.....	.....	.....	4,950	5,342
Packing Company	19,139	17,871	16,983	17,946	16,405	14,841	14,893	15,505	14,796	15,007	15,325
od Products Corporation	.....	.....	.....	.....	.....	.....	.....	.....	3,082	16,846	16,366
ons Company	.....	.....	.....	.....	.....	.....	4,373	4,087	5,907	5,468	5,152
acking Company	.....	.....	.....	2,074	2,266	2,395	2,451	2,403	2,497	2,516	2,493
r and Company	3,258	2,660	2,962	3,236	3,139	3,332	3,379	3,677	3,964	4,125	4,230
, Incorporated	.....	.....	.....	.....	.....	.....	2,032	2,022	2,340	9,684	12,266
Packing Company	.....	.....	.....	.....	.....	.....	.....	.....	.....	2,693	2,617
l	$30,447	$34,728	$41,184	$45,607	$46,466	$40,242	$48,960	$51,073	$58,709	$129,954	$137,483
nt Earned on Total Assets											
verage on Companies Reported	1.92%	.53%L	4.52%	6.94%	9.00%	6.46%	8.22%	6.70%	9.62%	10.09%	.....
Companies Included in Arriving tages	3	5	6	6	6	6	8	8	9	14	.....

d.

Financial Record of John Morrell & Co., Incorporated,* as Reported by Moody's Manual of Industrials

Year ending	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
Mar. 31, 1927	$78,166,210	1929	$2,013,928	1929	2.58	.....	....	.....
" " 1928	72,885,005	1930	1,656,387	1930	2.27	.....	....	.....
13 mos. ending Nov. 2, 1929	94,660,595	1930	3,435,799	1930	3.62	$17,639,204	1930	17.98
1930	.....	....	.....	.....	....	19,853,021	1930	.....

Year ending	Total assets at beginning of each year.	Moody Vol.	Percent earned on total assets
Mar. 31, 1927	.....	....	.....
" " 1928	.....	....	.....
13 mos. ending Nov. 2, 1929	23,135,292	1930	13.71
1930	23,487,308	1930	.....

*Incorporated in Delaware November 24, 1928.

Remarks

Engaged principally in meat packing. Also produces and distributes a variety of processed food articles including dairy and by-products. Operates a packing plant at Ottumwa and one at Sioux Falls, S. D.
1930 Price List shows handles:
Orange Marmalade
Plum Pudding

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Business established in England. United States branch established in New York, 1864 and moved to Ottumwa, Iowa, in 1878.
Operates 10 branch houses.
700 Refrigerator and tank cars.
Capacity 2,500,000 hogs, sheep and cattle per annum.
Employs 4,500.

Beans
"Du Page" Red Kidney
"Yorkshire Farm" Fancy Whole Green Beans
"Riverdale" Cut Green Beans
Condiments
"Exposition" Brand Yellow Mustard
"Exposition" Brand Horseradish
"Yorkshire Farm" Yellow Mustard
"Yorkshire Farm" Horseradish
Peas
Hominy
Pumpkin
Sauer Kraut
Tomatoes
Catsup
Corn
"Yorkshire Farm" Fancy C. G.
"Yorkshire Farm" Fancy Crosby
"Riverdale" Std. Ia. Sugar Beans (dry)
C. H. P. Michigan Pea
Great Northern

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1929 Volume, page 1858
1930 " " 403

[fol. 1397a] P. Ex. 71, p. 4

Beech-Nut Packing Co.

Incorporated under the laws of New York, December 29, 1899.

Its business is the curing of meats, preservation of fruits, manufacture of catsup, coffee, pork and beans, spaghetti, mustard, peanut butter, macaroni, jams, jellies, sauces, biscuit dainties, chewing gum and confections, and the marketing of above products.

On November 9, 1927, Company arranged with the United Cigar Stores Co. for a long-term contract under which the latter will promote the sale of Beech-Nut gum and confections in its 3,400 sales outlets throughout the country, and as a condition of which there were sold to United Cigar Stores Co. 50,000 shares of common stock of Beech-Nut Packing Co., at not less than $50 per share, which was later sold by the United Cigar Stores Co. to the Gold Dust Corporation.

Financial Record of Beech-Nut Packing Company* as Reported by Moody's Manual of Industrials

Year ended Dec. 31	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
1920	$12,050,118	1926	$500,149	1926	4.15	$6,475,792**	1920	7.72
1921	11,609,543	1926	726,186	1926	6.25	6,783,868	1924	10.70
1922	14,603,529	1928	1,937,481	1928	13.27	7,433,915	1924	26.06
1923	17,629,271	1928	2,013,695	1928	11.42	9,041,916	1924	22.27
1924	18,963,085	1930	2,187,600	1930	11.54	10,142,424	1924	21.57
1925	21,566,994	1930	2,099,243	1930	9.73	11,186,873	1926	18.77
1926	21,820,762	1930	2,012,222	1930	9.22	11,970,776	1926	16.81
1927	22,273,806	1930	2,301,465	1930	10.33	12,884,216	1926	17.86
1928	23,367,523	1930	2,768,768	1930	11.85	16,453,898	1928	16.83
1929	23,732,089	1930	2,702,953	1930	11,39	15,448,010	1930	17.50
1930	.....	....	.....	....	.....	16,910,499	1930	.....

Year ended Dec. 31	Total assets at beginning of each year.	Moody Vol.	Percent earned on total assets
1920	$8,050,205**	1920	6.21
1921	9,116,973	1924	7.97
1922	9,199,686	1924	21.06
1923	11,073,006	1924	18.19
1924	12,367,836	1924	17.69
1925	13,572,218	1926	15.47
1926	15,571,827	1926	12.92
1927	16,961,085	1928	13.57
1928	19,859,873	1928	13.94
1929	18,141,563	1930	14.90
1930	19,209,673	1930	.....

*Incorporated in New York December 29, 1899.
**Feb. 28, 1920.

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1920 Volume, page 963
1924 " " 857
1926 " " 482
1928 " " 408
1930 " " 511

Financial Record of George A. Hormel & Company,* as Reported by Moody's Manual of Industrials

Year ending Oct. 31	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
1920	$25,324,487**	1924	$365,908	1924	1.44	.....	....	.....
1921	19,587,443**	1924	409,768 loss	1924	2.09	.....	....	.....
1922	13,892,463**	1924	748,765	1926	5.39	$3,583,500	1924	20.89
1923	22,649,450	1926	Not Reported.	....	....	3,785,361	1924	.....
1924	Not Reported.	....		....	....	4,359,054	1926	.....
1925		....		....	....	Not Reported.	....	.....
1926	36,627,626	1929	1,185,846	1929	3.24		....	.....
1927	34,509,187	1929	465,816	1929	1.35		....	.....
1928	34,831,664	1929	1,268,261	1929	3.64		....	.....
1929	38,220,212	1930	2,217,397	1930	5.80	6,818,224	1930	32.52
1930	.....	....	.....	....	....	11,018,737	1930	.....

Year ending Oct. 31	Total assets at beginning of each year	Vol.	Percent earned on total assets
1920	.....	....	.....
1921	.....	....	.....
1922	$7,035,984	1924	10.64
1923	6,021,935	1924	
1924	6,628,605	1926	
1925	Not Reported.	....	.....
1926		....	.....
1927		.....	.....
1928		....	.....
1929	7,849,040	1930	28.25
1930	12,900,737	1930	.....

*Business established in 1892. Present Company Incorporated in Delaware September 20, 1928.
**Gross Income.

Remarks

Engaged in pork and beef packing and wholesale provision business. Plant at Austin, Minn.
Operate 14 branch houses.
Employs 2,477.
Handles variety of Fish, Jiffy Malt Syrup.

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1924 Volume, page 336
1926 " " 292
1929 " " 574
1930 " " 207

[fol. 1400]

P. Ex. 71, p. 7

Financial Record of Roberts & Oake, Incorporated,* as Reported by Moody's Manual of Industrials

Year ending	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
Dec. 31, 1927	$10,604,503	1930	$108,815	1930	1.03	.....	....	.....
" " 1928	11,839,231	1930	545,596	1930	4.61	$2,437,500**	1930	20.54
Oct. 31, 1929	Not reported	....	500,794	1930	....	2,605,669***	1930	.....
1930	.....	....	.....	....	....	.....	....	.....

Year ending	Total assets at beginning of each year	Moody Vol.	Percent earned on total assets
Dec. 31, 1927	.....	....	.....
" " 1928	.....	.....	.....
Oct. 31, 1929	$4,180,945**	1930	11.98
1930	4,312,862***	1930	.....

*Business established in 1895. Present Company incorporated in Delaware in 1929.
Not reported prior to Dec. 31, 1927.
**As of Dec. 31, 1928.
***As of Oct. 31, 1929.

Remarks

Company is engaged in the processing and sale of pork and certain by-products. Plant located at Chicago. Handles relish and condiments.

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1930 Volume, page 1030

[fol. 1401]

P. Ex. 71, p. 8

Financial Record of Rath Packing Company,* as Reported by Moody's Manual of Industrials

Year ending	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
Mar. 30, 1929	$31,779,905	1930	$1,048,653	1930	3.30	$6,219,062**	1930	7.96
Nov. 2, 1929	33,932,253	1930	495,005	1930	1.46	5,877,347	1930	.....
1930	.....	....	.....	....	....	.....	....	.....

Year ending	Total assets at beginning of each year	Moody Vol.	Percent earned on total assets
Mar. 30, 1929	.....	....	.....
Nov. 2, 1929	$8,448,482**	1930	5.86
1930	6,343,121	1930	.....

*Incorporated in Iowa in 1891.
**As of March 30, 1929.

Remarks

Engaged in packing pork and beef products. Owns plant at Waterloo, Iowa.

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1930 Volume, page 2887

Financial Record of John J. Felin & Company, Incorporated,* as Reported by Moody's Manual of Industrials

Year ended Dec. 31	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
1920	$11,445,891	1924	$217,326	1924	1.90	Not reported	....	.....
1921	8,956,717	1924	354,141	1924	3.95	$1,839,284	1924	19.25
1922	9,325,535	1924	304,488	1924	3.27	2,153,263	1924	14.14
1923	9,949,232	1926	398,823	1926	4.01	2,304,585	1924	17.31
1924	10,127,762	1926	298,973	1926	2.95	2,477,602	1926	12.07
1925	11,395,380	1928	257,272	1928	2.26	2,625,680	1926	9.79
1926	13,155,877	1928	248,286	1928	1.89	2,682,762	1928	9.25
1927	12,198,457	1930	255,286	1930	2.09	2,803,198	1928	9.11
1928	12,267,838	1930	380,588	1930	3.10	2,874,104	1928	13.24
1929	13,886,781	1930	416,035	1930	3.00	3,029,056	1930	13.73
1930	.....	....	.....	....	....	3,169,969	1930	.....

Year ended Dec. 31.	Total assets at beginning of each year	Moody Vol.	Percent earned on total assets
1920	Not reported	....	.....
1921	$2,225,201	1924	15.92
1922	2,579,233	1924	11.80
1923	2,634,246	1924	15.14
1924	2,861,671	1926	10.45
1925	2,980,267	1926	8.63
1926	2,991,065	1928	9.25
1927	3,104,073	1928	8.22
1928	3,032,029	1928	12.55
1929	3,188,969	1930	13.05
1930	3,304,606	1930	.....

*Incorporated in Pennsylvania in 1902.

Remarks

Engaged in pork and beef packing.
Plants in Philadelphia and New York City.
Annual capacity 500,000 hogs.
Employs 500.

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1924 Volume, page 1981
1926 " " 771
1928 " " 235
1930 " " 352

Financial Record of Brennan Packing Company,* as Reported by Moody's Manual of Industrials

Year ended Nov. 30	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
1920	$9,630,528	1928	$213,607 loss	1928	2.22 loss	.....	....	.....
1921	7,592,000	1928	79,984	1928	1.05	$2,403,574	1922	3.33
1922	8,746,479	1928	217,977	1928	2.49	2,378,557	1924	9.16
1923	9,508,026	1928	331,383	1928	3.49	2,499,582	1924	13.26
1924	11,511,401	1928	405,352	1928	3.52	2,606,093	1924	15.55
1925	13,269,476	1928	271,938	1928	2.05	2,858,949	1927	9.51
1926	14,341,515	1928	358,421	1928	2.50	2,980,437	1928	12.03
1927	12,385,885	1928	46,205	1928	.37	3,190,018	1928	1.45
1928	12,978,716	1930	530,609	1930	4.09	3,190,031	1930	16.63
1929	13,598,237	1930	397,921	1930	2.93	3,594,117	1930	11.07
1930	.....	....	.....	....	....	3,746,388	1930	.....

Year ended Nov. 30.	Total assets at beginning of each year	Moody Vol.	Percent earned on total assets
1920	.....	....	.....
1921	$2,554,944	1922	3.13
1922	2,424,421	1924	8.99
1923	2,621,654	1924	12.64
1924	2,796,521	1924	14.49
1925	3,121,636	1927	8.71
1926	3,208,517	1928	11.17
1927	3,313,391	1928	1.39
1928	3,230,757	1930	16.42
1929	3,720,794	1930	10.69
1930	4,133,193	1930	.....

*Business established in 1897. Incorporated in Illinois in 1905.

Remarks

Business consists of the slaughter of hogs and sale of fresh and cured pork products and by-products.

Plant located in Chicago, includes cold storage warehouses with a capacity of 17,000,000 pounds of meat and ice plant with daily capacity of 300 tons of ice.

Also has fertilizer tank house and cooperage depts. Employs 350.

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1924	Volume,	page	412
1922	"	"	488
1927	"	"	216
1928	"	"	177
1930	"	"	272

[fol. 1404] P. Ex. 71, p. 11

Financial Record of Miller & Hart, Incorporated,* as Reported by Moody's Manual of Industrials

Year ending	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
Dec. 31, 1927	$10,123,203	1930	$322,194	1930	3.18	.....	....	.....
Oct. 31, 1928	9,863,069	1930	519,238	1930	5.26	.....	....	.....
" " 1929	10,507,343	1930	266,406	1930	2.54	$2,941,944	1930	9.06
1930	.....	....	.....	....	....	3,104,935	1930	.....

Year ending	Total assets at beginning of each year	Moody Vol.	Percent earned on total assets
Dec. 31, 1927	.....	....	.....
Oct. 31, 1928	.....	....	.....
" " 1929	$4,949,814	1930	5.38
1930	5,342,286	1930	....

*Business established in 1882. Present company incorporated in Delaware July 5, 1928.

Remarks

Business consists of the processing of pork and the preparation of certain of its by-products.

Principal productions are smoked hams, bacon and shoulders, lard and sausages. In addition peanut butter, cheese and mince meat and sauerkraut are jobbed to supplement the company's line.

Plant located at Chicago.

Employs 622.

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1930 Volume, page 1949.

[fol. 1405]

P. Ex. 71, p. 12

Financial Record of Jacob Dold Packing Company,* as Reported by Moody's Manual of Industrials

Year ended Oct. 31	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
1920	$56,512,175	1926	$79,019	1926	.14	$9,294,038	1924	.85
1921	49,379,182	1926	1,460,790 loss	1926	2.96 loss	9,145,686	1924	15.97 loss
1922	48,829,329	1928	475,497 loss	1928	.97 loss	8,184,152	1924	5.81 loss
1923	44,779,843	1928	65,383	1928	.15	8,165,462	1924	.81
1924	46,290,788	1930	375,511	1930	.81	7,968,624	1924	4.71
1925	57,958,800	1930	333,735 loss	1930	.58 loss	7,921,162	1926	4.21 loss
1926	51,026,219	1930	383,454	1930	.75	6,016,491	1926	6.37
1927	47,312,878	1930	210,585 loss	1930	.45 loss	6,519,869	1928	3.23 loss
1928	51,597,244	1930	405,732	1930	.79	6,238,326	1928	6.50
1929	52,909,278	1930	248,201	1930	.47	6,613,249	1930	3.75
1930	.....	....	.....	....	.....	6,841,949	1930	.....

*Incorporated in New York August 13, 1888.

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P. Ex. 71, p. 12—Continued

Year ended Oct. 31	Total assets at beginning of each year	Moody Vol.	Percent earned on total assets
1920	$19,138,858	1924	.41
1921	17,870,948	1924	8.17 loss
1922	16,982,503	1924	2.80 loss
1923	17,945,735	1924	.31
1924	16,404,808	1924	2.29
1925	14,849,620	1926	2.25 loss
1926	14,802,878	1926	2.57
1927	15,505,039	1928	1.36 loss
1928	14,795,951	1928	2.74
1929	15,007,281	1930	1.65
1930	15,324,783	1930	.....

Pickles
"Niagara" Brand Fancy Pickles
"Niagara" Fancy Pickles
"Buffalo" Brand Pickles
"Niagara" Fancy Pickles—in cans
Olives and Pickles
Noodles
Prunes

Index

1924 Volume, page 88
1926 " " 2052
1928 " " 51
1930 " " 77

Remarks

Owns packing houses in Wichita, Kan., and Buffalo, N. Y.

Operates branches throughout the United States and in foreign countries.

1930 Price List shows handles:

Fish
Lake Superior Jumbo Round Ciscoes
Lake Superior Jumbo Flat Herring
New Holland Herring
Pickled Herring
Rolled Mops
Marinated Sardines
Fresh Frozen Fillets
Smoked Fish
Smoked Bloaters
Codfish
V. P. & Salt Fish
Canned Salmon
Sardines
Tuna Fish
Shrimp
Mackerel

Groceries
Coffee
Cocoa
Catsup
Mayonnaise
Dry Beans
Dry Peas
Red Jelly
Pure Jams
Vinegar
"Quenno" Fruit Flavored Syrup
Honey

Canned Vegetables
Carrots
Mixed Vegetables
Mushrooms
Peas
Pimentos
Pumpkin
Succotash
Spinach
Tomatoes
Sweet Potatoes
Sauerkraut
Asparagus
Beans
Beats
Corn

Canned Fruits
Apples
Apricots
Blueberries
Cherries
Fruit Salad
Grapefruit
Plums
Pears
Peaches
Preserves
Pineapple
Raspberries

[fol. 1405a] P. Ex. 71, p. 13

Hygrade Food Products Corporation

Incorporated in New York, December 19, 1927, consolidating 9 concerns, 7 of New York and 2 of Philadelphia, including Blue Ribbon Provision Co., Inc., Hygrade Provision Co., Liberty Provisions Co., Inc., Bernard S. Pincus, Royal Provision Co., Inc., Standard Provisions Co., Inc., and United Beef & Provision Co., Inc.

Manufactures provisions, particularly meat products such as frankfurters, bolognas, salami, cured tongue, canned beef, etc. Properties include land, leaseholds, buildings, machinery, power plants, cold storage facilities, fixtures, equipment, 60 automobile trucks, etc.

On Feb. 11, 1928, Hygrade Food Products Corporation acquired the Bronx Provision Corp. of New York and its subsidiaries, including a chain of stores; later in 1928 acquired Mohawk Sausage Co., Boston, Chris Grozinger Corp., Brooklyn, Hebrew National Food Products Corp., N. Y., Frankly Beef Co., Wilkes-Barre, Pa., and United Beef Co., Hazelton, Pa.

In 1929 acquired 5 packing plants belonging to the Allied Packers, Inc., located at Chicago, Detroit, Buffalo, Wheeling and Topeka, together with current assets, brands and trade marks of latter concerns.

Price Lists indicate handles:

Hic-Ree Sauce.
Chow Mein Noodles.
Chinese Vegetables.
Bean Sprouts.
Sauer Kraut.

Financial Record of Hygrade Food Products Corporation,* as Reported by Moody's Manual of Industrials

Year ended Dec. 31	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
1920	Not reported	....	Not reported	....	....	Not reported	....	.....
1921	" "	....	" "	....	....	" "	....	.....
1922	" "	....	" "	....	....	" "	....	.....
1923	" "	....	" "	....	....	" "	....	.....
1924	" "	....	" "	....	....	" "	....	.....
1925	$4,857,245	1928	$102,281	1928	2.11	" "	....	.....
1926	5,836,138	1930	182,317	1930	3.12	" "	....	.....
1927	4,602,684**	1930	154,490**	1930	3.33	" "	....	.....
1928	8,661,463	1930	216,874	1930	2.50	$1,618,458	1928	13.40
1929	Not reported	....	Not reported	....	....	9,691,227***	1930	.....
1930	.....	....	.....	....	....	8,915,280****	1930	.....

Year ended Dec. 31	Total assets at beginning of each year	Moody Vol.	Percent earned on total assets
1920	Not reported	....	.....
1921	" "	....	.....
1922	" "	....	.....
1923	" "	....	.....
1924	" "	....	.....
1925	" "	....	.....
1926	" "	....	.....
1927	" "	....	.....
1928	$3,081,629	1928	9.70
1929	16,845,743***	1930	.....
1930	16,365,970 **	1930	.....

*Incorporated in New York December 19, 1927.
**9½ months to Dec. 15, 1927.
***Mar. 29, 1929, Giving effect to merger of Allied Packers, Inc., and new financing.
****Nov. 2, 1929.

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1928 Volume, page 2844
1930 " " 2838

Financial Record of E. Kahn's Sons Company,* as Reported by Moody's Manual of Industrials.

Year ending Dec. 31	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
1923	$7,270,354	1926	$330,996	1926	4.55	.....	....	.....
1924	8,504,588	1926	287,421	1926	3.38	.....	....	.....
1925	10,903,032	1928	319,106	1928	2.93	.....	....	.....
1926	11,061,853	1928	361,845	1928	3.27	$4,129,917	1928	8.76
1927	11,183,979	1930	367,130	1930	3.28	3,889,849	1928	9.44
1928	13,991,612	1930	307,072	1930	2.19	4,290,791	1928	7.16
1929	17,801,589	1930	201,560	1930	1.13	3,588,100	1930	5.62
1930	.....	....	.....	....	....	3,507,274	1930	.....

Year ending Dec. 31.	Total assets at beginning of each year.	Moody Vol.	Percent earned on total assets
1923	.....	....	.....
1924	.....	....	.....
1925	.....	....	.....
1926	$4,372,584	1928	8.28
1927	4,087,142	1928	8.98
1928	5,906,992	1928	5.20
1928	5,468,164	1930	3.69
1930	5,151,785	1930	.....

*Business established in 1885. Present Company incorporated in Ohio April 25, 1907.

Remarks

Engaged in beef and pork packing.
Packing houses in southern Ohio.
Selling representatives in 35 principal cities in the East, South and New England States.
Plant located at Cincinnati.
Employs 575.

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1926 Volume, page 1588
1928 " " 2047
1930 " " 1511

56—568

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Financial Record of East Side Packing Company,* as Reported by Moody's Manual of Industrials

Year ended Dec. 31	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
1921	$5,702,062	1924	$4,599	1924	.01	Not reported.	....	.....
1922	7,658,501	1924	59,799	1924	.08		....	.....
1923	10,093,686	1926	97,643	1926	.97	$1,150,733	1924	8.49
1924	12,136,874	1926	159,577	1926	1.29	1,238,966	1926	12.88
1925	17,650,466	1928	127,653	1928	.72	1,347,314	1926	9.47
1926	21,170,715	1928	124,359	1928	.59	1,418,631	1928	8.77
1927	22,545,249	1930	144,453	1930	.64	1,483,489	1928	9.74
1928	22,658,742	1930	180,287	1930	.80	1,710,845	1928	10.54
1929	21,919,491	1930	182,546	1930	.83	1,830,712	1930	9.97
1930	.....	....	.....	....	....	1,923,891	1930	.....

Year ended Dec. 31.	Total assets at beginning of each year.	Moody Vol.	Percent earned on total assets
1921	Not reported.	....	.....
1922		....	.....
1923	$2,073,762	1924	4.71
1924	2,266,113	1926	7.04
1925	2,394,716	1926	5.33
1926	2,450,504	1928	5.07
1927	2,402,541	1928	6.01
1928	2,496,714	1928	7.22
1929	2,515,565	1930	7.26
1930	2,493,152	1930	.....

*Incorporated in Illinois September 18, 1905.

Remarks

Engaged in slaughtering of cattle, hogs and sheep, curing and manufacturing and sale of packing house products and manufacturing and sale of ice.
Daily capacity of 2,000 hogs, 300 cattle and 200 tons of ice.
Employs 850.
Plant located at East St. Louis, Ill.

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1924 Volume, page 90
1926 " " 759
1928 " " 226
1930 " " 917

[fol. 1409]

P. Ex. 71, p. 17

Financial Record of Oscar Mayer & Company,* as Reported by Moody's Manual of Industrials

Year ending	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
Dec. 31, 1920.....	$11,187,146	1923	$10,202	1923	.01	$2,612,648	1922	.39
" " 1921.....	9,350,038	1924	115,962	1924	1.24	2,606,538	1923	4.45
" " 1922.....	10,012,088	1924	127,630	1924	1.27	2,590,824	1924	4.92
11 mos. ending Nov. 30 (1) 1923.....	8,591,063	1924	158,009	1926	1.84	2,501,286	1924	6.88
Nov. 30, 1924.....	11,180,488	1926	158,261	1926	1.42	2,579,394	1926	6.13
" " 1925.....	13,535,578	1928	178,529	1928	1.32	2,624,867	1926	6.80
" " 1926.....	17,736,937	1928	313,706	1928	1.77	2,702,529	1928	11.61
" " 1927.....	18,692,055	1930	106,009	1930	.57	2,930,481	1928	3.62
" " 1928.....	21,630,513	1930	290,737	1930	1.34	2,271,100	1928	12.80
" " 1929.....	23,491,693	1930	145,647	1930	.62	3,163,626	1930	4.60
" " 1930.....	.....	....	.....	....	....	3,220,262	1930	.....

*Business established in 1883. Present company incorporated in Illinois Jan. 1, 1919.

P. Ex. 71, p. 17—Continued

Year ending,	Total assets at beginning of each year	Moody Vol.	Percent earned on total assets
Dec. 31, 1920	$3,257,521	1922	.31
" " 1921	2,960,259	1923	3.92
" " 1922	2,962,263	1924	4.31
11 mos. ending Nov. 30 (1) 1923	3,236,175	1924	5.32
Nov. 30, 1924	3,138,744	1926	5.04
" " 1925	3,332,210	1926	5.36
" " 1926	3,379,474	1928	9.28
" " 1927	3,676,936	1928	2.88
" " 1928	3,964,220	1928	7.33
" " 1929	4,125,390	1930	3.53
" " 1930	4,229,923	1930	.....

Remarks

Distributors of meats, meat products and dairy produce to retail dealers, restaurants, etc. Chicago plant has 8 buildings with facilities for handling 2,000 dressed hogs per day, the manufacture of 200,000 pounds of sausage per week and storage for 3,500,000 pounds of meat in cure and 500,000 pounds of lard.

Owns a slaughtering and packing plant at Madison, Wis., with a daily capacity of 2,500 hogs and 100 cattle and a freezer and cooler space for 7,000,000 pounds of product.

Branches in New York City, Washington, D. C., Detroit, Mich., Cleveland, Ohio, and Madison, Wis.

Employs 900.

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1922	Volume, page	111	1926	Volume, page	1655
1923	" "	1225	1928	" "	933
1924	" "	1412	1930	" "	1495

[fol. 1409a] P. Ex. 71, p. 18

Adolf Gobel, Inc.

Incorporated in New York, August 20, 1926, as successor to company of same name founded in 1891. Manufactures fresh and smoked meat of more than 60 different food products and made and sold under "Quality First" trade mark. Plant located in Brooklyn.

On July 12, 1927, acquired controlling interest of Geo. Kern, Inc., doing a packing and wholesale and retail distribution of pork and beef products in New York City. Plant located on 11th Ave., between 40th and 50th Sts.

In 1928, company acquired a majority interest in A. Loffler Provision Co., Inc., and T. T. Keane Co., Inc., which jointly owned a killing plant known as the Washington Abbat-oir Company. Company also acquired the plants and business of B. Heier Sons, Inc., Bronx, N. Y., Hertz Bros., Inc., Milton, Pa., Merkel, Inc., Jamaica, L. I., with a chain of 19 retail stores, C. Lehman Packing Co., Brooklyn, United Sausage Co., Boston; also owns all the stock of the Playland Refreshment Corporation, who operate a cafeteria and lunch stand concession at Playland, Rye Beach, N. Y., and of the Howard Provision Co., operating a stand in West Washington Market, N. Y.

In 1929 acquired over 90% of the ownership of the Jacob E. Decker & Sons of Mason City, Iowa. The latter company operates a large and modern packing plant at Mason City, Iowa; also branch houses in Minneapolis, Minn., Texarkana and Little Rock, Ark., Dallas, Tyler, Beaumont, San Antonio and Houston, Tex., with selling agents in principal cities of the United States.

Price Lists indicate:

Jacob E. Decker & Sons sells Frosted Seafresh Fillets, Spiced Herring and Relish Spread.

Gobel handles Mustard, Horse Radish and Pickles.

Financial Record of Adolf Gobel, Incorporated,* as Reported by Moody's Manual of Industrials

Year ended Dec. 31	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
1921	$7,052,262	1928	$383,640**	1928	5.44	Not	....	.....
1922	7,305,501	1928	348,067**	1928	4.76	Re-	....	.....
1923	7,180,577	1928	495,592**	1928	6.90	port-	....	.....
1924	7,292,699	1927	398,818	1927	5.46	ed.	....	.....
1925	8,251,609	1928	218,443	1928	2.65	.....	....	.....
1926	8,865,135	1928	218,311	1928	2.46	$930,203	1927	23.47
1927	8,287,382	1929	408,465	1929	4.93	1,036,245	1928	39.42
1928	21,244,820	1930	563,332	1930	2.65	1,386,572	1928	40.63
1929	46,032,417	1930	131,299	1930	0.29	5,850,794	1930	2.24
1930	.....	....	.....	....	....	8,285,972	1930	.....

*Incorporated in New York August 20, 1926.
**Before Federal Income Taxes.

Year ended Dec. 31.	Total assets at beginning of each year	Moody Vol.	Percent earned on total assets
1921	Not	....	.....
1922	Re-	....	.....
1923	port-	....	.....
1924	ed.	....	.....
1925	.....	....	.....
1926	$2,032,226	1927	10.74
1927	2,021,799	1928	20.20
1928	2,339,664	1928	24.17
1929	9,683,654	1930	1.36
1930	12,265,503	1930	.....

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1927 Volume, page 1032
1928 " " 2002
1929 " " 1758
1930 " " 2820

[fol. 1411]

P. Ex. 71, p. 20

Financial Record of Columbus Packing Company,* as Reported by Moody's Manual of Industrials

Year ending Oct. 31	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year)	Moody Vol.	Percent earned on total stockholders' investment
1927	$13,270,674	1930	$117,024	1930	.88	.....	....	.....
1928	14,845,808	1930	224,361	1930	1.51	.....	....	.....
1929	16,785,460	1930	67,241	1930	.40	$2,183,105	1930	3.08
1930	.....	....	.....	....	....	2,163,346	1930	.....

Year ending Oct. 31	Total assets at beginning of each year	Moody Vol.	Percent earned on total assets
1927	.....	....	.....
1928	.....	....	.....
1929	$2,693,062	1930	2.50
1930	2,616,975	1930	.....

*Business established in 1906. Present company incorporated in Ohio April 30, 1923.

Remarks

Engaged in the business of meat packing and by-products.

Plant located at South Columbus, Ohio. Daily capacity 100 cattle, 2,500 hogs. Annual production 150,000,000 pounds of meat and by-products.

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1930 Volume, page 873

(Petitioner's Exhibits 72 and 73 follow, side folios 1412, 1413, 1414, and 1415)

[Vol. 1412]

PET'S EXH. 72

Financial Record Four Defendant Packers

[Vol. 1413]

Four Defendant Packers Sales, Earnings and Percentage of Earnings to Sales, Invested Capital and Total Assets, Period 1920 to 1929 Inclusive

	Swift and Company		Armour and Company		Wilson & Co.		The Cudahy Packing Co.		Combine
Sales (in thousands)		Percent earned		Percent earned		Percent earned		Percent earned	
1920	$1,052,039	.49	$1,260,280 (5)	.19	$370,000	.80 L	$288,802	.22	$2,971,121
1921	735,040	1.06 L	842,407 (5)	5.12 L	250,000	3.38 L	173,695	.90 L	2,001,142
1922	655,681	1.99	864,716 (1&5)	1.17 L	225,000	1.00 L	160,164	.77	1,906,561
1923	761,369	1.73	882,421 (5)	1.78	275,000	.89	190,290	1.06	2,109,080
1924	785,221	1.80	875,409	2.08	236,000	.54	203,756	1.65	2,100,386
1925	892,102	1.72	970,388	1.49	271,937	.46	224,491	1.24	2,358,918
1926	953,797	1.64	808,648 (2)	1.01	248,127 (2)	.99	231,727	1.75	2,242,299
1927	931,486	1.31	961,132	.06	284,105	.05	233,325	1.01	2,410,048
1928	972,940	1.52	972,799	1.16	295,744	.75	251,156	1.02	2,492,639
1929	1,035,263	1.26	1,004,196	.98	308,805	.75	267,960	.94	2,616,224
Net Earnings available for dividends (in thousands)									
1920	$5,170	....	$2,365 (5)	....	$2,941 L(3)	....	$ 624	....	$5,218
1921	7,812 L	....	43,158 L(5)	....	8,462 L(3)	....	1,570 L	....	61,002 L
1922	13,049	....	10,175 L(1&5)	....	2,243 L(3)	....	1,232	....	1,863
1923	13,185	....	15,691 (5)	....	2,451 (3)	....	2,010	....	33,337
1924	14,126	....	18,310	....	1,292	....	3,352	....	37,080
1925	15,379	....	14,452	....	1,254	....	2,792	....	33,877
1926	15,645	....	8,148 (2)	....	2,461 (2)	....	4,053	....	30,307
1927	12,202	....	538	....	147	....	2,354	....	15,241
1928	14,813	....	11,326	....	2,208	....	2,567	....	30,914
1929	13,077	....	9,811	....	2,305	....	2,513	....	27,706
Total stockholders' investment (includes capital stock and surplus at the beginning of each year) (in thousands)									
1920	$238,382	2.17	$265,096 (5)	.89	$51,397	5.72 L	$35,421	1.76	$590,296
1921	231,552	3.37 L	284,653 (5)	15.16 L	47,055	18.40 L	30,923	5.08 L	594,183
1922	211,740	6.16	255,457 (5)	3.40 L	37,458	5.99 L	29,353	4.20	534,008
1923	212,789	6.20	298,456 (5)	5.26	48,755	5.03	30,006	6.70	590,006
1924	213,974	6.60	278,587	6.57	50,249	2.57	30,859	10.86	573,669
1925	216,100	7.12	286,921	5.04	45,664	2.75	32,943	8.48	581,628
1926	219,479	7.13	286,476	3.41	58,975	5.01	37,868	10.70	602,798
1927	223,124	5.47	286,519	.19	62,145	.24	39,302	5.91	611,590
1928	223,327	6.63	277,241	4.09	62,293	3.54	39,877	6.44	602,738
1929	226,140	5.78	276,956	3.54	65,500	3.52	40,166	6.26	608,762
Total assets (at the beginning of each year) (in thousands)									
1920	$489,540	1.06	$593,628 (5)	.40	$127,007	2.32 L	$92,448	.67	$1,302,623
1921	450,906	1.73 L	632,863 (5)	6.82 L	114,206	7.41 L	81,925	1.92 L	1,279,900
1922	361,844	3.61	562,284 (5)	1.54 L	102,160	2.20 L	61,762	1.99	1,088,014
1923	355,044	3.71	540,470 (5)	2.90	117,130	2.09	71,099	2.83	1,083,743
1924	337,864	4.18	508,819	3.59	121,521	1.06	71,510	4.69	1,039,714
1925	337,791	4.55	493,295	2.93	119,017 (4)	1.05	70,467	3.96	1,020,570
1926	342,296	4.57	485,711	2.01	98,012	3.01	72,507	5.59	998,526
1927	342,015	3.57	481,825	.11	98,036	.15	74,346	3.17	996,222
1928	337,208	4.39	471,241	2.40	96,356	2.29	76,376	3.36	981,183
1929	347,597	3.76	448,549	2.19	97,068	2.37	82,556	3.04	975,770
1930	351,252	....	452,314	....	98,049	....	79,561	....	981,176

L Loss.
(1) 61 weeks.
(2) 10 months.
(3) Before providing for depreciation.
(4) August 27, 1924.
(5) Including Morris & Co.

PET'S EXH. 72

Financial Record Four Defendant Packers

Four Defendant Packers Sales, Earnings and Percentage of Earnings to Sales, Invested Capital and Total Assets, Period 1920 to 1929 Inclusive

	Swift and Company		Armour and Company		Wilson & Co.		The Cudahy Packing Co.		Combined	
n thousands)		Percent earned		Percent earned		Percent earned		Percent earned		Percent earned
0	$1,052,039	.49	$1,260,280 (5)	.19	$370,000	.80 L	$288,802	.22	$2,971,121	.18
1	735,040	1.06 L	842,407 (5)	5.12 L	250,000	3.38 L	173,695	.90 L	2,001,142	3.05 L
2	655,681	1.99	864,716 (1&5)	1.17 L	225,000	1.00 L	160,164	.77	1,905,561	.10
3	761,369	1.73	882,421 (5)	1.78	275,000	.89	190,290	1.06	2,109,080	1.58
4	785,221	1.80	875,409	2.08	236,000	.54	203,756	1.65	2,100,386	1.77
5	892,102	1.72	970,388	1.49	271,937	.46	224,491	1.24	2,358,918	1.44
6	953,797	1.64	808,648 (2)	1.01	248,127 (2)	.99	231,727	1.75	2,242,299	1.35
7	931,486	1.31	961,132	.06	284,105	.05	233,325	1.01	2,410,048	.63
8	972,940	1.52	972,799	1.16	295,744	.75	251,156	1.02	2,492,639	1.24
9	1,035,263	1.26	1,004,196	.98	308,805	.75	267,960	.94	2,616,224	1.06
rnings available for dividends (in nds)										
0	$5,170	....	$2,365 (5)	....	$2,941 L(3)	....	$ 624	....	$5,218	....
1	7,812 L	....	43,158 L(5)	....	8,462 L(3)	....	1,570 L	....	61,002 L	....
2	13,049	....	10,175 L(1&5)	....	2,243 L(3)	....	1,232	....	1,863	....
3	13,185	....	15,691 (5)	....	2,451 (3)	....	2,010	....	33,337	....
4	14,126	....	18,310	....	1,292	....	3,352	....	37,080	....
5	15,379	....	14,452	....	1,254	....	2,792	....	33,877	....
6	15,645	....	8,148 (2)	....	2,461 (2)	....	4,053	....	30,307	....
7	12,202	....	538	....	147	....	2,354	....	15,241	....
8	14,813	....	11,326	....	2,208	....	2,567	....	30,914	....
9	13,077	....	9,811	....	2,305	....	2,513	....	27,706	....
tockholders' investment (includes l stock and surplus at the beginning h year) (in thousands)										
0	$238,382	2.17	$265,096 (5)	.89	$51,397	5.72 L	$35,421	1.76	$590,296	.88
1	231,552	3.37 L	284,653 (5)	15.16 L	47,055	18.40 L	30,923	5.08 L	594,183	10.27 L
2	211,740	6.16	255,457 (5)	3.40 L	37,458	5.99 L	29,353	4.20	534,008	.35
3	212,789	6.20	298,456 (5)	5.26	48,755	5.03	30,006	6.70	590,006	5.65
4	213,974	6.60	278,587	6.57	50,249	2.57	30,859	10.86	573,669	6.46
5	216,100	7.12	286,921	5.04	45,664	2.75	32,943	8.48	581,628	5.82
6	219,479	7.13	286,476	3.41	58,975	5.01	37,868	10.70	602,798	5.03
7	223,124	5.47	286,519	.19	62,145	.24	39,802	5.91	611,590	2.49
8	223,327	6.63	277,241	4.09	62,293	3.54	39,877	6.44	602,738	5.13
9	226,140	5.78	276,956	3.54	65,500	3.52	40,166	6.26	608,762	4.55
ets (at the beginning of each year) ousands)										
0	$489,540	1.06	$593,628 (5)	.40	$127,007	2.32 L	$92,448	.67	$1,302,623	.40
1	450,906	1.73 L	632,863 (5)	6.82 L	114,206	7.41 L	81,925	1.92 L	1,279,900	4.77 L
2	361,844	3.61	562,284 (5)	1.54 L	102,160	2.20 L	61,762	1.99	1,088,014	.17
3	355,044	3.71	540,470 (5)	2.90	117,130	2.09	71,099	2.83	1,083,743	3.08
4	337,864	4.18	508,819	3.59	121,521	1.06	71,510	4.69	1,039,714	3.57
5	337,791	4.55	493,295	2.93	119,017 (4)	1.05	70,467	3.96	1,020,570	3.32
6	342,296	4.57	485,711	2.01	98,012	3.01	72,507	5.59	998,526	3.04
7	342,015	3.57	481,825	.11	98,036	.15	74,346	3.17	996,222	1.53
8	337,208	4.39	471,241	2.40	96,356	2.29	76,376	3.36	981,183	3.16
9	347,597	3.76	448,549	2.19	97,068	2.37	82,556	3.04	975,770	2.82
	351,252	....	452,314	....	98,049	....	79,561	....	981,176	....

oss.
51 weeks.
10 months.
Before providing for depreciation.
August 27, 1924.
Including Morris & Co.

[fol. 1414]

Pet's Ex. 73

Recapitulation of Financial Record on Four Classes of Companies

[fol. 1415]

Pet's Ex. 73 p. 1

Recapitulation of Financial Record on Four Classes of Companies

Recapitulation of Financial Record on Four Classes of Companies Showing Sales, Earnings and Percentage of Earnings to Sales, Invested C

		1920		1921		1922		1923		1924		1925		1
Sales (in thousands)														
Eight food companies	(4)	$203,671	(6)	$206,664	(6)	$200,345	(6)	$228,099	(6)	$323,013	(6)	$356,874	(6)	
Twelve grocery chains	(5)	419,762	(6)	362,824	(7)	436,808	(7)	542,857	(8)	638,582	(10)	841,234	(11)	1
Fifteen non-defendant packers	(6)	126,150	(8)	119,229	(8)	120,374	(9)	137,151	(8)	126,008	(9)	159,388	(11)	
Four defendant packers	(4)	2,971,121	(4)	2,001,142	(4)	1,905,561	(4)	2,109,080	(4)	2,100,386	(4)	2,358,918	(4)	2
Net earnings available for dividends (in thousands)														
Eight food companies	(6)	$8,173	(8)	$14,573	(8)	$27,259	(7)	$31,378	(8)	$39,033	(8)	$45,839	(8)	
Twelve grocery chains	(4)	5,610	(3)	1,603	(6)	10,162	(6)	12,824	(7)	18,097	(10)	27,487	(11)	
Fifteen non-defendant packers	(6)	958	(8)	206 L	(8)	3,269	(8)	3,892	(8)	4,272	(9)	3,240	(11)	
Four defendant packers	(4)	5,218	(4)	61,002 L	(4)	1,863	(4)	33,337	(4)	37,080	(4)	33,877	(4)	
Total stockholders' investment (includes capital stock and surplus at the beginning of each year, (in thousands)														
Eight food companies	(4)	$163,055	(6)	$191,968	(6)	$192,584	(7)	$205,765	(8)	$191,151	(8)	$208,843	(8)	
Twelve grocery chains	(3)	42,940	(4)	57,171	(4)	66,012	(4)	75,766	(5)	98,808	(6)	116,081	(7)	
Fifteen non-defendant packers	(3)	18,383	(5)	22,780	(6)	26,325	(7)	29,449	(7)	31,372	(6)	28,565	(8)	
Four defendant packers	(4)	590,296	(4)	594,183	(4)	534,008	(4)	590,006	(4)	573,669	(4)	581,628	(4)	
Total assets at the beginning of each year (in thousands)														
Eight food companies	(4)	$212,404	(6)	$271,050	(6)	$257,149	(7)	$267,852	(8)	$251,451	(8)	$276,427	(8)	
Twelve grocery chains	(3)	66,350	(4)	69,526	(4)	80,587	(4)	91,593	(5)	116,565	(6)	138,957	(7)	
Fifteen non-defendant packers	(3)	30,447	(5)	34,728	(6)	41,184	(7)	45,607	(7)	46,466	(6)	40,242	(8)	
Four defendant packers	(4)	1,302,623	(4)	1,279,900	(4)	1,088,014	(4)	1,083,743	(4)	1,039,714	(4)	1,020,570	(4)	
Percent earned on sales (weighted average on companies reported)														
Eight food companies	(4)	2.73	(6)	5.73	(6)	9.34	(6)	8.45	(6)	7.88	(6)	8.84	(6)	
Twelve grocery chains	(4)	1.37	(3)	2.59	(6)	2.90	(6)	2.86	(7)	3.35	(10)	3.27	(11)	
Fifteen non-defendant packers	(6)	.76	(8)	.17 L	(8)	2.72	(8)	3.40	(8)	3.39	(9)	2.03	(11)	
Four defendant packers	(4)	.18	(4)	3.05 L	(4)	.10	(4)	1.58	(4)	1.77	(4)	1.44	(4)	
Percent earned on stockholders' investment (weighted average on companies reported)														
Eight food companies	(4)	4.19	(6)	6.98	(6)	13.47	(6)	17.38	(8)	20.42	(8)	21.95	(8)	
Twelve grocery chains	(3)	11.50	(2)	15.38	(3)	20.67	(3)	21.90	(4)	24.71	(6)	21.42	(7)	
Fifteen non-defendant packers	(3)	2.48	(5)	5.80 L	(6)	10.87	(6)	12.00	(6)	13.28	(6)	9.11	(8)	
Four defendant packers	(4)	.88	(4)	10.27 L	(4)	.35	(4)	5.65	(4)	6.46	(4)	5.82	(4)	
Percent earned on total assets (weighted average on companies reported)														
Eight food companies	(4)	3.22	(6)	4.95	(6)	10.09	(6)	13.76	(8)	15.52	(8)	16.58	(8)	
Twelve grocery chains	(3)	7.44	(2)	12.51	(3)	17.41	(3)	17.99	(4)	20.35	(6)	17.89	(7)	
Fifteen non-defendant packers	(3)	1.92	(5)	.53 L	(6)	4.52	(6)	6.94	(6)	9.00	(6)	6.46	(8)	
Four defendant packers	(4)	.40	(4)	4.77	(4)	.17	(4)	3.08	(4)	3.57	(4)	3.32	(4)	

NOTE: Figures in parentheses indicate the number of companies included.
L—Loss.

888b

Per's Ex. 73

Recapitulation of Financial Record on Four Classes of Companies

Per's Ex. 73 p. 1

Recapitulation of Financial Record on Four Classes of Companies

...es of Companies Showing Sales, Earnings and Percentage of Earnings to Sales, Invested Capital and Total Assets, Period 1920 to 1929 Inclusive

1922		1923		1924		1925		1926		1927		1928		1929		1930	
(6)	$200,345	(6)	$228,099	(6)	$323,013	(6)	$356,874	(6)	$417,214	(6)	$466,935	(6)	$631,111	(5)	$864,920		.....
(7)	436,808	(7)	542,857	(8)	638,582	(10)	841,234	(11)	1,017,803	(12)	1,339,630	(12)	1,776,677	(12)	2,114,279		.....
(8)	120,374	(9)	137,151	(8)	126,008	(9)	159,388	(11)	279,810	(14)	300,875	(14)	291,560	(13)	407,476		.....
(4)	1,905,561	(4)	2,109,080	(4)	2,100,386	(4)	2,358,918	(4)	2,242,299	(4)	2,410,048	(4)	2,492,639	(4)	2,616,224		.....
(8)	$27,259	(7)	$31,378	(8)	$39,033	(8)	$45,839	(8)	$64,178	(8)	$68,471	(8)	$85,031	(7)	$93,665		.....
(6)	10,162	(6)	12,824	(7)	18,007	(10)	27,487	(11)	33,333	(12	39,141	(12)	49,539	(12)	58,745		.....
(8)	3,269	(8)	3,892	(8)	4,272	(9)	3,240	(11)	7,401	(14)	6,240	(14)	9,251	(14)	11,409		.....
(4)	1,863	(4)	33,337	(4)	37,080	(4)	33,877	(4)	30,307	(4)	15,241	(4)	30,914	(4)	27,706		.....
(6)	$192,584	(7)	$205,765	(8)	$191,151	(8)	$208,843	(8)	$244,982	(8)	$284,785	(8)	$320,606	(8)	$416,885	(8)	$548,976
(4)	66,012	(4)	75,766	(5)	98,808	(6)	116,081	(7)	134,955	(8)	157,286	(10)	196,665	(11)	266,509	(12)	325,440
(6)	26,325	(7)	29,449	(7)	31,372	(6)	28,565	(8)	32,832	(8)	34,736	(9)	40,034	(15)	91,048	(15)	101,143
(4)	534,008	(4)	590,006	(4)	573,669	(4)	581,628	(4)	602,798	(4)	611,590	(4)	602,738	(4)	608,762		.....
(6)	$257,149	(7)	$267,852	(8)	$251,451	(8)	$276,427	(8)	$341,553	(8)	$388,032	(8)	$432,139	(8)	$577,027	(8)	$741,322
(4)	80,587	(4)	91,593	(5)	116,565	(6)	138,957	(7)	165,595	(8)	197,983	(10)	255,508	(11)	338,439	(12)	404,605
(6)	41,184	(7)	45,607	(7)	46,466	(6)	40,242	(8)	48,900	(8)	51,073	(9)	58,709	(15)	129,954	(15)	137,483
(4)	1,088,014	(4)	1,083,743	(4)	1,039,714	(4)	1,020,570	(4)	998,526	(4)	996,222	(4)	981,183	(4)	975,770	(4)	981,176
(6)	9.34	(6)	8.45	(6)	7.88	(6)	8.84	(6)	11.65	(6)	10.78	(6)	10.21	(5)	7.47		.....
(6)	2.90	(6)	2.86	(7)	3.35	(10)	3.27	(11)	3.27	(12)	2.92	(12)	2.79	(12)	2.78		.....
(8)	2.72	(8)	3.40	(8)	3.39	(9)	2.03	(11)	2.65	(14)	2.07	(14)	3.17	(13)	2.68		.....
(4)	.10	(4)	1.58	(4)	1.77	(4)	1.44	(4)	1.35	(4)	.63	(4)	1.24	(4)	1.06		.....
(6)	13.47	(6)	17.38	(8)	20.42	(8)	21.95	(8)	26.20	(8)	24.04	(8)	26.52	(7)	25.24		.....
(3)	20.67	(3)	21.90	(4)	24.71	(6)	21.42	(7)	20.97	(8)	22.12	(10)	23.71	(11)	21.23		.....
(6)	10.87	(6)	12.00	(6)	13.28	(6)	9.11	(8)	12.24	(8)	9.83	(9)	14.10	(14)	14.02		.....
(4)	.35	(4)	5.65	(4)	6.46	(4)	5.82	(4)	5.03	(4)	2.49	(4)	5.13	(4)	4.55		.....
(6)	10.09	(6)	13.76	(8)	15.52	(8)	16.58	(8)	18.79	(8)	17.65	(8)	19.68	(7)	18.96		.....
(3)	17.41	(3)	17.99	(4)	20.35	(6)	17.89	(7)	17.09	(8)	17.57	(10)	18.25	(11)	16.72		.....
(6)	4.52	(6)	6.94	(6)	9.00	(6)	6.46	(8)	8.22	(8)	6.70	(9)	9.62	(14)	10.09		.....
(4)	.17	(4)	3.08	(4)	3.57	(4)	3.32	(4)	3.04	(4)	1.53	(4)	3.16	(4)	2.82		.....

[fol. 1416] PET. EX. 74

H. C. Bohack Co., Inc.

Year	Stores	Sales	Net earnings	Fresh meat departments	Meat sales
1920....	152	$11,988,252.67	$277,886.00	61	$2,358,767.00
1921....	186	12,493,475.50	406,203.00	101	3,264,127.00
1922....	225	15,317,284.28	383,203.00	137	4,561,386.00
1923....	254	16,673,190.07	430,102.00	154	4,577,496.00
1924....	324	18,703,468.62	423,402.00	190	5,048,713.00
1925....	352	19,395,241.36	338,711.00	204	5,147,293.00
1926....	391	21,159,069.14	272,695.00	201	5,195,025.00
1927....	417	24,733,553.69	579,698.00	208	5,981,446.90
1928....	461	26,168,158.17	494,149.00	216	6,171,458.00
1929....	504	28,865,869.30	895,709.00	230	6,184,085.00

[fol. 1417] PETITIONER'S EX. 85

Summary Swift & Company's Competitors in Branch House Territories

[fol. 1418] P. Ex. 85, p. 2

Summary of Swift & Company's Competitors in Branch House Territories

Swift & Company Branch Territory:	Number of competitors				
	Wholesale grocers	Meat competitors			Produce competitors
		Local	Outside	Total	
Abilene, Texas	12	57	12	69	35
Akron, Ohio	8	27	37	64	36
Albany, N. Y.	18	10	20	30	21
Albuquerque, N. Mex.	22	5	11	16	23
Alexandria, La.	26	25	6	31	11
Allentown, Pa.	13	16	36	52	21
Altoona, Pa.	9	18	10	28	15
Amarillo, Tex.	19	95	15	110	111
Americus, Ga.	7	.....	9	9	13
Anderson, S. C.	12	3	5	8	7
Ann Arbor, Mich.	5	14	19	33	13
Anniston, Ala.	12	3	11	14	13
Appleton, Wis.	9	11	16	27	16
Ardmore, Okla.	10	6	4	10	6
Asbury Park, N. J.	9	2	29	31	18
Asheville, N. C.	28	18	12	30	32
Ashland, Wis.	9	8	7	15	23
Astoria, Oreg.	4	2	10	12	7
Atlanta, Ga.	56	24	27	51	43
Atlantic City, N. J.	17	14	41	55	54
Augusta, Ga.	40	12	22	34	23
Augusta, Me.	12	31	16	47	18
Austin, Tex.	10	58	18	76	28
Bakersfield, Calif.	10	21	12	33	13
Baltimore, Md.	43	41	23	64	41
Bangor, Me.	20	11	15	26	13
Bath, Me.	24	.....	15	15	10
Baton Rouge, La.	20	4	5	9	8
Battle Creek, Mich.	7	6	15	21	23
Bay City, Mich.	5	17	11	28	18

	Number of competitors				
	Wholesale grocers	Meat competitors			Produce competitors
		Local	Outside	Total	
Bayonne, N. J.	10	1	23	24	22
Beaumont, Tex.	12	10	3	13	15
Bellingham, Wash.	4	5	4	9	14
Berlin, N. H.	10	6	11	17	13
Bethlehem, Pa.	12	10	30	40	23
Biddeford, Me.	18	4	22	26	22
Billings, Mont.	9	7	11	18	24
Birmingham, Ala.	44	12	19	31	35
Boise, Idaho	9	39	10	49	25
Boston, Mass.	65	128	42	170	88
Bradford, Pa.	23	1	19	20	44
Brainerd, Minn.	14	2	12	14	36
Brattleboro, Vt.	9	.....	8	8	5
Bridgeport, Conn.	19	17	28	45	40
Bridgeton, N. J.	11	10	17	27	17
Brockton, Mass.	18	14	33	47	23
[fol. 1419]	P. Ex. 85, p. 3				
Brownsville, Tex.	13	11	9	20	14
Brunswick, Ga.	9	1	6	7	9
Buffalo, N. Y.	39	43	22	65	57
Burlington, N. C.	7	1	9	10	6
Burlington, Vt.	11	9	4	13	17
Butte, Mont.	8	11	6	17	43
Calexico, Calif.	10	3	8	11	10
Calumet City, Ill.	12	4	16	20	17
Canton, Ohio	12	15	26	41	42
Cedar Rapids, Iowa	6	6	8	14	35
Charleston, S. C.	17	8	11	19	8
Charleston, W. Va.	10	9	13	22	12
Charlotte, N. C.	31	5	17	22	15
Charlottesville, Va.	14	2	13	15	15
Chattanooga, Tenn.	13	9	16	25	43
Chester, Pa.	9	13	13	26	22
Chester, S. C.	26	.....	13	13	10
Chicago, Ill.	78	881	13	894	317
Cincinnati, Ohio	32	36	8	44	65
Clarksburg, W. Va.	26	57	15	72	24
Cleveland, Ohio	26	92	37	129	75
Clarksdale, Miss.	9	4	9	13	14
Clinton, Mass.	9	6	14	20	10
Colorado Springs, Colo.	10	7	8	15	26
Columbia, S. C.	23	8	13	21	14
Columbus, Ga.	30	14	8	22	18
Concord, N. H.	8	1	10	11	13
Corning, N. Y.	6	36	10	46	15
Corpus Christi, Tex.	13	7	9	16	14
Cumberland, Md.	12	36	19	55	13
Dallas, Tex.	9	36	22	58	81
Danbury, Conn.	7	4	17	21	12
Danville, Va.	23	16	7	23	9
Daytona Beach, Fla.	13	9	8	17	8
Denison, Tex.	13	30	13	43	35
Denver, Colo.	16	27	16	43	[illegible]
Des Moines, Iowa	9	12	9	21	39
Detroit, Mich.	70	105	21	126	69
Donaldsonville, La.	15	1	6	7	6
Dothan, Ala.	15	2	6	8	3
Dover, N. H.	17	8	18	[illegible]	11

	Number of competitors				
	Wholesale grocers	Meat competitors			Produce competitors
		Local	Outside	Total	
Dover, N. J.	11	.....	19	19	12
Dublin, Ga.	14	1	7	8	3
Duluth, Minn.	10	28	4	32	45
Durham, N. C.	15	3	7	10	12
East St. Louis, Ill.	8	11	14	25	27
Easton, Pa.	7	3	17	20	16
Elizabeth, N. J.	17	5	29	34	20
Elmira, N. Y.	16	38	10	48	33
[fol. 1429]	P. Ex. 85, p. 4				
El Paso, Tex.	21	17	8	25	21
Erie, Pa.	27	14	14	28	40
Escanaba, Mich.	7	4	8	12	8
Everett, Wash.	7	9	9	18	16
Fall River, Mass.	20	21	15	36	22
Fargo, N. Dak.	17	7	5	12	28
Fayetteville, N. C.	20	5	14	19	22
Fitchburg, Mass.	9	6	19	25	15
Flint, Mich.	10	8	16	24	28
Florence, S. C.	27	4	5	9	11
Flushing, N. Y.	6	9	22	31	53
Fond du Lac, Wis.	7	11	15	26	12
Fort Smith, Ark.	18	23	12	35	26
Fort Wayne, Ind.	11	8	12	20	14
Fort Worth, Tex.	14	23	19	42	53
Gadsden, Ala.	22	12	21	33	29
Gainesville, Ga.	13	1	8	9	11
Galesburg, Ill.	13	9	23	32	22
Galveston, Tex.	9	4	7	11	15
Gardner, Mass.	10	.....	12	12	9
Gary, Ind.	11	6	20	26	19
Gastonia, N. C.	17	5	8	13	16
Geneva, N. Y.	7	6	15	21	18
Glens Falls, N. Y.	7	11	11	22	14
Globe, Ariz.	6	2	4	6	7
Gloucester, Mass.	7	1	7	8	9
Goldsboro, N. C.	18	4	4	8	6
Grand Junction, Colo.	6	10	2	12	17
Grand Rapids, Mich.	14	30	20	50	33
Great Falls, Mont.	6	8	5	13	20
Green Bay, Wis.	13	16	19	35	14
Greenfield, Mass.	13	6	12	18	10
Greensboro, N. C.	13	7	9	16	19
Greenville, Miss.	12	3	9	12	13
Greenville, N. C.	14	1	8	9	8
Greenville, S. C.	21	6	7	13	10
Greenwood, Miss.	11	3	12	15	14
Gulfport, Miss.	8	4	6	10	8
Hamlet, N. C.	22	4	11	15	9
Hartford, Conn.	20	45	42	87	52
Hattiesburg, Miss.	11	5	12	17	12
Haverstraw, N. Y.	17	5	23	28	20
Hazleton, Pa.	12	19	22	41	41
Helena, Ark.	14	5	7	12	14
Helena, Mont.	4	7	7	14	5
Henderson, N. C.	12	4	9	13	6
Hickory, N. C.	12	4	7	11	4

[fol. 1421] P. Ex. 85, p. 5

	Number of competitors				
	Wholesale grocers	Meat competitors			Produce competitors
		Local	Outside	Total	
High Point, N. C.	11	6	9	15	10
Holyoke, Mass.	4	12	12	24	14
Hoquiam, Wash.	7	7	10	17	14
Hornell, N. Y.	9	13	12	25	9
Houlton, Me.	7	6	6	12	7
Houston, Tex.	28	15	6	21	42
Huntsville, Ala.	30	3	19	22	10
Indiana Harbor, Ind.	11	4	18	22	13
Indianapolis, Ind.	15	15	26	41	18
Ironwood, Mich.	8	4	5	9	15
Ishpeming, Mich.	16	13	10	23	16
Ithaca, N. Y.	7	2	34	36	16
Jackson, Mich.	15	14	22	36	22
Jackson, Miss.	19	3	17	20	22
Jacksonville, Fla.	39	17	8	25	34
Jacksonville, Ill.	11	29	15	44	18
Jamestown, N. Y.	6	.....	11	11	10
Johnson City, Tenn.	13	10	8	18	19
Johnstown, Pa.	20	27	15	42	38
Joliet, Ill.	11	5	22	27	16
Kansas City, Kans.	21	33	7	40	72
Keene, N. H.	10	2	14	16	8
Klamath Falls, Oreg.	6	4	7	11	9
Knoxville, Tenn.	38	15	14	29	27
Laconia, N. H.	12	11	15	26	14
La Crosse, Wis.	8	14	9	23	77
La Grange, Ga.	11	1	13	14	12
Lake Charles, La.	16	4	9	13	14
Lakeland, Fla.	14	14	11	25	18
Lansing, Mich.	16	31	18	49	21
Lawrence, Mass.	13	17	7	24	8
Lead, S. Dak.	8	11	6	17	18
Lehighton, Pa.	14	16	32	48	28
Lewiston, Me.	10	5	20	25	25
Little Rock, Ark.	35	56	13	69	55
Long Beach, Calif.	10	15	16	31	39
Long Branch, N. J.	10	8	30	38	32
Los Angeles, Calif.	30	86	19	105	52
Louisville, Ky.	23	19	18	37	26
Lowell, Mass.	15	20	18	38	21
Lynchburg, Va.	20	11	11	22	14
Lynn, Mass.	13	5	18	23	22
Macon, Ga.	31	7	17	24	24
Mahanoy City, Pa.	13	3	25	28	22
Malden, Mass.	10	.....	15	15	13
Manchester, N. H.	22	23	19	42	18
Masontown, Pa.	8	3	18	21	4
McKeesport, Pa.	13	11	24	35	36
Meadville, Pa.	7	19	18	37	22
Medford, Oreg.	6	19	8	27	9
Memphis, Tenn.	34	12	9	21	31

[fol. 1422] P. Ex. 85, p. 6

Meriden, Conn.	20	10	19	29	13
Meridian, Miss.	18	8	13	21	14
Miami, Fla.	17	12	5	17	23
Middletown, N. Y.	16	2	21	23	24

	Number of competitors				
	Wholesale grocers	Meat competitors			Produce competitors
		Local	Outside	Total	
Milford, Mass	14	8	24	32	17
Milwaukee, Wis	20	64	11	75	37
Mineola, N. Y	13	1	21	22	37
Minneapolis, Minn	19	24	6	30	60
Missoula, Mont	3	2	5	7	14
Mobile, Ala	17	5	10	15	17
Monroe, La	15	20	8	28	15
Montgomery, Ala	36	17	18	35	23
Montpelier, Vt	6	23	10	33	20
Morristown, N. J	7		16	16	16
Muskegon, Mich	5	18	15	33	16
Muskogee, Okla	11	5	15	20	29
Nashua, N. H	8	9	12	21	16
Nashville, Tenn	28	24	36	60	57
Natchez, Miss	21	3	16	19	12
Natick, Miss	10	2	16	18	21
Newark, N. J	25	123	66	189	126
New Bedford, Mass	11	37	16	53	38
New Britain, Conn	11	14	30	44	18
New Brunswick, N. J	13	13	33	46	18
Newburgh, N. Y	19	11	19	30	30
Newburyport, Mass	14	3	16	19	12
New Haven, Conn	25	29	21	50	34
New London, Conn	18	9	29	38	23
New Orleans, La	64	19	24	43	19
Newport, R. I	13	13	20	33	33
Newport News, Va	9	3	24	27	7
New Rochelle, N. Y	9	2	26	28	26
New York, N. Y	282	397	138	535	409
Norfolk, Va	68	35	27	62	19
North Adams, Mass	25	9	16	25	16
Northampton, Mass	13	7	21	28	17
North Fork, W. Va	14	6	9	15	23
Norton, Va	19	3	12	15	26
Norwich, Conn	14	7	28	35	16
Oakland, Calif	10	25	55	80	31
Oil City, Pa	10	3	12	15	20
Oklahoma City, Okla	20	16	12	28	28
Omaha, Nebr	14	14	6	20	37
Oneonta, N. Y	12	6	17	23	12
Orange, N. J	8	1	30	31	18
Orlando, Fla	22	16	14	30	16
Oshkosh, Wis	10	13	16	29	18
Oswego, N. Y	7	2	13	15	18
Palestine, Tex	16	32	11	43	35

[fol. 1423] P. Ex. 85, p. 7

Paris, Tex	12	36	10	46	29
Pawtucket, R. I	12	9	17	26	14
Pensacola, Fla	16	7	3	10	11
Peoria, Ill	11	11	20	31	21
Perth Amboy, N. J	9	5	12	17	11
Philadelphia, Pa	71	71	92	163	104
Philipsburg, Pa	8	20	20	40	15
Phillipsburg, N. J	11	12	18	30	15
Phoenix, Ariz	15	13	5	18	17
Pine Bluff, Ark	40	127	23	150	62
Pittsburgh, Pa	42	96	30	126	107
Pittsfield, Mass	15	5	12	17	13

	Number of competitors				
	Wholesale grocers	Meat competitors			Produce competitors
		Local	Outside	Total	
Plainfield, N. J	8	1	29	30	21
Pocatello, Idaho	7	16	5	21	19
Port Arthur, Tex	7	1	8	9	9
Port Chester, N. Y	15	4	24	28	28
Port Huron, Mich	14	44	16	60	25
Port Jervis, N. Y	12	.....	18	18	15
Portland, Me	25	33	29	62	36
Portland, Oreg	10	32	6	38	64
Pottstown, Pa	10	29	36	61	29
Pottsville, Pa	17	12	30	42	26
Providence, R. I	21	32	26	58	45
Pueblo, Colo	12	26	12	38	35
Quincy, Ill	8	28	24	52	16
Quincy, Mass	14	.....	33	33	24
Raleigh, N. C	18	16	18	34	8
Reading, Pa	22	62	39	101	37
Reno, Nev	7	6	7	13	9
Richmond, Va	49	31	28	59	37
Roanoke, Va	32	6	9	15	27
Rochester, N. H	18	.....	19	19	12
Rochester, N. Y	20	19	23	42	32
Rockford, Ill	15	7	20	27	16
Rock Island, Ill	17	30	17	47	50
Rockland, Me	9	14	7	21	15
Rocky Mount, N. C	19	9	7	16	5
Rome, Ga	14	2	12	14	11
Rutland, Vt	11	5	18	23	18
Saginaw, Mich	13	13	10	23	48
Salem, Mass	10	16	11	27	17
Salisbury, Md	16	9	11	20	7
Salisbury, N. C	14	2	6	8	8
Salt Lake City, Utah	7	20	3	23	49
San Antonio, Tex	22	18	1	19	73
San Bernardino, Calif	10	7	12	19	13
San Diego, Calif	11	15	11	26	21
Sanford, N. C	15	22	11	33	11
San Francisco, Calif	71	127	22	149	267

[fol. 1424] P. Ex. 85, p. 8

Saratoga Springs, N. Y	15	2	15	17	16
Sault St. Marie, Mich	7	1	5	6	9
Savannah, Ga	37	50	24	74	39
Schenectady, N. Y	18	36	20	56	22
Scranton, Pa	25	51	29	80	46
Seattle, Wash	23	24	16	40	47
Selma, Ala	15	3	10	13	16
Sharon, Pa	3	14	13	27	13
Sheboygan, Wis	5	20	10	30	23
Shenandoah, Pa	18	13	23	36	40
Shreveport, La	28	9	6	15	19
Sioux City, Iowa	11	11	6	17	23
Somerville, N. J	13	10	30	40	16
So. Norwalk, Conn	7	.....	18	18	10
Spartanburg, S. C	23	2	12	14	13
Spokane, Wash	15	38	8	46	42
Springfield, Ill	14	22	28	50	30
Springfield, Mass	21	39	15	54	41
Stamford, Conn	7	7	15	22	17
Stapleton, N. Y	8	4	15	19	13

	Number of competitors				
	Wholesale grocers	Meat competitors			Produce competitors
		Local	Outside	Total	
Staunton, Va	11	2	5	7	5
St. Albans, Vt	8	.....	18	18	11
St. Johnsbury, Vt	14	22	11	33	11
St. Joseph, Mo	9	6	8	14	30
St. Louis, Mo	37	54	6	60	150
St. Paul, Minn	9	20	16	36	46
St. Petersburg, Fla	14	3	15	18	14
Sumter, S. C	25	10	10	20	5
Syracuse, N. Y	22	76	14	90	23
Tacoma, Wash	7	11	10	21	22
Tampa, Fla	32	15	7	22	26
Taunton, Mass	6	5	21	26	26
Taylor, Tex	12	35	19	54	28
Texarkana, Ark	22	6	7	13	9
Toledo, Ohio	13	34	22	56	66
Trenton, N. J	36	24	37	61	43
Trinidad, Colo	11	6	6	12	24
Troy, N. Y	14	22	22	44	23
Tucson, Ariz	9	7	6	13	9
Tulsa, Okla	10	6	9	15	23
Tuscaloosa, Ala	8	1	15	16	16
Uniontown, Pa	7	11	17	28	10
Utica, N. Y	25	13	14	27	23
Valdosta, Ga	27	38	21	59	12
Ventura, Calif	4	11	18	29	11
Vicksburg, Miss	10	8	4	12	6
Waco, Tex	19	54	23	77	38
Waltham, Mass	10	.....	30	30	27
Ware, Mass	11	.....	21	21	10
Washington, D. C	23	26	20	46	56
[fol. 1425]	P. Ex. 85, p. 9				
Waterbury, Conn	14	10	21	31	18
Waycross, Ga	21	2	11	13	10
Webster, Mass	13	6	16	22	12
West Brownsville, Pa	5	6	23	29	17
Westfield, Mass	12	5	12	17	13
West Palm Beach, Fla	12	7	8	15	17
Wheeling, W. Va	22	33	36	69	53
White River Junction, Vt	12	4	12	16	16
Wichita Falls, Tex	13	31	9	40	48
Wilkes-Barre, Pa	26	43	26	69	44
Williamson, W. Va	17	4	10	14	14
Williamsport, Pa	20	29	24	53	26
Willimantic, Conn	5	2	25	27	8
Wilmington, Del	9	27	16	43	24
Wilmington, N. C	42	9	17	26	16
Winston-Salem, N. C	32	11	9	20	29
Woonsocket, R. I	11	9	23	32	23
Worcester, Mass	16	27	34	61	36
Yoakum, Tex	10	.....	11	11	19
Yonkers, N. Y	10	13	34	47	36
Youngstown, Ohio	15	9	20	29	23
Grand Total	6,113	7,041	5,860	12,901	9,688

[fol. 1426] PETITIONER'S EXHIBIT 86

Summary Swift & Company's Competitors in Car Route Territories

[fol. 1427] P. Ex. 86, p. 2

Summary of Swift & Company's Competitors in Car Route Territories

	Number of competitors				
	Wholesale grocers	Meat competitors			Produce competitors
		Local	Outside	Total	
Swift & Company Car Routes: Harrisburg, Pa.					
Car Route No. 1	7	14	15	29	18
2	6	9	10	19	8
4	7	15	13	28	10
5	4	9	12	21	12
6	7	.....	11	11	9
7	4	.....	5	5	6
8	4	2	7	9	8
9	6	.....	12	12	11
10	3	15	11	26	9
11	6	2	5	7	7
12	7	8	19	27	10
13	10	8	20	28	18
15	7	4	8	12	8
16, 18, 19	10	9	21	30	16
17	6	8	15	23	9
20	7	7	8	15	3
21	4	4	8	12	4
22	5	4	7	11	9
23	10	5	19	24	16
24	9	8	10	18	12
25	10	18	18	36	15
27	13	16	9	25	11
28	8	3	12	15	12
Total	160	168	275	443	251
Cleveland, Ohio,					
Car Route No. 1	9	.....	12	12	6
2	6	.....	18	18	15
3	10	11	12	23	10
4	10	1	15	16	7
5	5	9	11	20	12
6	10	7	10	17	8
7	11	4	8	12	9
8	15	18	20	38	16
9	10	5	10	15	14
10	7	16	2	18	10
11	13	4	8	12	9
12	7	4	14	18	10
13	12	9	11	20	19
14	10	3	12	15	15
15	11	3	9	12	15
16	8	11	10	21	8
17	6	2	18	20	11
18	6	15	18	33	14
19	9	2	12	14	11
20	4	2	6	8	9
21	9	4	14	18	11
22	6	2	12	14	8
23	4	.....	10	10	6

[fol. 1428] P. Ex. 86, p. 3

	Number of competitors				
	Wholesale grocers	Meat competitors			Produce competitors
		Local	Outside	Total	
Cleveland, Ohio,					
Car Route No. 24	7	3	13	16	8
25	13	7	11	18	15
26	5	11	14	25	17
27	6	5	12	17	12
28	10	3	12	15	15
Total	239	161	334	495	320
Chicago, Ill.,					
Car Route No. 1	9	4	12	16	16
2	7	3	12	15	14
3	6	4	22	26	17
4		1	22	23	12
5	9	8	8	16	12
6	13	11	11	22	21
7	10	3	12	15	4
8	11	2	11	13	11
9	11	9	12	21	20
10	9	6	12	18	13
11	5	4	10	14	9
12	13	10	12	22	20
13	10	13	11	24	6
16	11	2	23	25	17
17	6	3	9	12	8
18	8	1	15	16	15
19	7	2	10	12	7
20	9	4	11	15	8
21	6	3	13	16	10
22	14	7	22	29	22
24	7	1	22	23	11
26	7	4	9	13	4
27	7	3	18	21	14
28	9	8	13	21	20
29	4	1	21	22	4
30	11	6	17	23	11
31	12	3	25	28	17
32	13	1	17	18	10
33	8	5	10	15	6
34	11	6	7	13	13
35	11	3	8	11	16
36	7	13	13	26	9
37	8	3	16	19	9
38	9	11	18	29	7
39	3	11	4	15	3
40	6	5	8	13	5
42	7	15	7	22	7
43	6	3	9	12	8
44	10	2	19	21	15
45	11	4	12	16	10
46	5	1	10	11	5
47	5	5	8	13	14
48	11	2	23	25	15
49	9	1	14	15	8
50	5	14	2	16	6
51	6	6	11	17	10

[fol. 1429] P. Ex. 86, p. 4

	Number of competitors				
	Wholesale grocers	Meat competitors			Produce competitors
		Local	Outside	Total	
Car Route No. 52	9	15	14	29	5
53	7	.....	28	28	14
54	8	.....	14	14	4
56	10	6	11	17	8
57	7	22	13	35	9
58	13	2	13	15	13
59	11	11	10	21	3
61	3	3	5	8	9
62	12	2	14	16	9
63	5	14	10	24	7
64	6	8	16	24	18
65	5	20	14	34	6
66	12	2	12	14	10
68	15	8	22	30	21
69	6	7	12	19	9
70, 72	13	40	13	53	50
71	6	9	11	20	7
73	5	7	10	17	7
74	14	8	24	32	24
75	6	13	8	21	43
76, 77	13	8	23	31	22
78	14	5	12	17	7
79	9	12	10	22	15
80	10	33	16	49	42
81	11	6	16	22	15
82	7	2	10	12	12
83	10	4	12	16	15
84	8	6	12	18	14
85	8	5	8	13	11
86, 87	10	6	22	28	18
88	4	8	13	21	4
89	9	12	12	24	6
90	9	3	9	12	8
91	11	2	18	20	15
93	11	18	8	26	8
95	7	1	6	7	13
96	5	6	6	12	6
97	7	7	14	21	12
98	9	15	7	22	13
99	6	.....	10	10	9
100	9	9	14	23	10
101	9	9	11	20	10
102	8	2	10	12	10
103	6	4	9	13	9
104	10	2	7	9	10
105	10	.....	22	22	8
106	11	22	19	41	20
107	9	21	16	37	11
108	4	24	13	37	8
114	10	2	11	13	15
115	7	3	9	12	8
120	9	6	11	17	8
Total	835	697	1281	1978	1187

[fol. 1430] P. Ex. 86, p. 5

National Stock Yards, Ill.,	Number of competitors				
	Wholesale grocers	Meat competitors			Produce competitors
		Local	Outside	Total	
Car Route No. 1	9	25	11	36	13
2	8	6	7	13	4
3	14	8	7	15	7
4	9	5	8	13	7
6	7	1	11	12	7
7	14	2	12	14	12
8	5	12	7	19	4
9	8	5	11	16	11
10	8	2	10	12	6
11	8	1	5	6	4
13	9	4	8	12	13
15	9	8	15	23	17
16	7	4	7	11	3
17	7	6	5	11	7
18	8	9	2	11	6
19	13	1	8	9	5
20	10	9	10	19	13
22	9	8	6	14	10
23	11	1	7	8	8
24	7	6	9	15	13
25	12	4	10	14	15
26	14	4	11	15	10
27	7	3	8	11	5
28	13	5	4	9	8
30	6	.....	7	7	9
31	18	5	14	19	20
32	18	17	17	34	21
33	3	4	22	26	13
35	6	9	9	18	6
38	8	15	10	25	13
39	6	17	6	23	6
40	10	24	13	37	14
41	6	5	6	11	6
42	18	2	6	8	7
43	19	14	11	25	7
44	11	1	11	12	6
45	12	2	8	10	3
47	4	19	8	27	12
48	9	4	10	14	13
49	8	11	9	20	9
50	6	1	8	9	7
51	7	6	11	17	7
52	8	5	5	10	5
53	14	15	7	22	20
54	15	1	14	15	6
56	4	.....	11	11	8
57	9	4	19	23	26
58	4	13	12	25	15
60	6	6	11	17	14
61	10	11	8	19	5
62	4	1	8	9	4
63	9	4	11	15	23
64	15	4	12	16	23
65	7	.....	3	3	3

[fol. 1431] P. Ex. 86, p. 6

	Number of competitors				
	Wholesale grocers	Meat competitors			Produce competitors
		Local	Outside	Total	
Car Route No. 66	5	.....	8	8	6
67	9	5	5	10	9
68	11	1	4	5	8
69	9	12	12	24	23
70	11	11	15	26	24
71	11	7	13	20	25
72	10	14	12	26	23
73	2	1	5	6	15
74	8	1	5	6	14
75	12	.....	8	8	7
76	8	1	7	8	9
77	7	1	7	8	7
78	8	8	8	16	3
79	3	5	10	15	8
80	6	5	4	9	5
81	16	8	10	18	8
82	14	7	13	20	13
83	5	1	6	7	6
84	13	.....	7	7	3
85	11	3	9	12	9
86	16	10	14	24	14
87	14	10	17	27	16
88	11	4	8	12	9
89	6	1	7	8	6
90	7	3	11	14	8
91	9	3	8	11	15
92	9	3	9	12	15
93	5	.....	6	6	7
94	6	2	7	9	5
95	10	2	7	9	9
96	9	7	9	16	9
98	5	.....	11	11	10
Total	792	495	788	1283	887
St. Louis, Mo., Car Route No. 1	11	8	7	15	12
2	9	5	10	15	15
3	9	4	10	14	14
4	9	7	12	19	8
6	10	.....	7	7	9
7	4	1	7	8	8
8	6	7	8	15	6
9	11	1	10	11	11
10	7	14	8	22	11
11	12	13	10	23	13
12	12	1	10	11	11
13	12	12	7	19	11
14	10	1	10	11	15
15	6	.....	10	10	8
16	6	7	8	15	10
17	21	.....	9	9	9

[fol. 1432] P. Ex. 86, p. 7

18	15	2	9	11	12
20	6	.....	4	4	5

	Number of competitors				
	Wholesale grocers	Meat competitors			Produce competitors
		Local	Outside	Total	
Car Route No. 23	10	6	10	16	9
24	6	3	7	10	9
25	12	14	11	25	23
27	11	14	9	23	22
28	10	16	8	24	23
30, 32	9	7	11	18	19
33	7	.....	13	13	6
34	10	2	12	14	8
35	8	.....	13	13	6
37	4	.....	7	7	6
38	7	.....	10	10	9
39	12	.....	14	14	8
40	11	.....	8	8	7
41	9	1	12	13	7
42	10	.....	13	13	16
43	10	.....	14	14	11
44	12	2	13	15	11
46	12	.....	9	9	8
47	5	8	9	17	5
49	14	.....	8	8	8
Total	365	156	367	523	409
Fort Worth, Tex., Car Route No. 1	6	12	13	25	14
3	6	11	8	19	7
4	5	6	8	14	10
5	8	21	7	28	8
6	5	6	6	12	8
7	8	14	12	26	6
8	13	18	16	34	13
9	8	6	15	21	15
10	4	15	9	24	9
11	7	8	7	15	7
12	7	5	8	13	5
13	6	10	6	16	10
14	14	23	11	34	13
15	11	7	11	18	13
16	8	7	12	19	4
17	7	5	6	11	8
18	8	22	13	35	6
19	11	8	9	17	10
20	9	9	5	14	7
21	7	10	5	15	5
22	17	11	8	19	15
23	10	18	7	25	11
24	12	15	11	26	10
25	6	22	5	27	9
26	14	12	10	22	11
27	7	5	10	15	8
28	9	3	8	11	10
29	8	7	6	13	7
30	11	12	10	22	15

[fol. 1433] P. Ex. 87, p. 8

31	8	5	11	16	4
32	4	9	5	14	7
33	7	8	3	11	8
34	5	8	9	17	9

	Number of competitors				
	Wholesale grocers	Meat competitors			Produce competitors
		Local	Outside	Total	
Car Route No. 35	12	13	10	23	6
36	8	8	8	16	8
37	5	5	13	18	8
38	6	16	5	21	7
39	11	9	6	15	16
40	3	10	7	17	6
41	7	13	11	24	15
42	5	7	5	12	6
43	6	3	4	7	6
44	9	10	5	15	8
Total	347	452	364	816	388
Kansas City, Kans., Car Route No. 1	7	6	7	13	8
2	11	11	6	17	7
3	16	3	7	10	10
4	8	3	7	10	9
5	12	1	9	10	10
6	13	7	5	12	23
7	14	1	9	10	14
8	11	.....	11	11	12
9	8	1	14	15	12
10	9	4	11	15	9
11	12	10	10	20	11
12	19	4	9	13	11
13	13	2	12	14	14
14	15	8	12	20	13
15	10	10	6	16	23
16	9	6	8	14	15
17	13	7	13	20	12
18	13	5	8	13	12
19	15	4	6	10	10
20	12	7	8	15	11
21	8	11	6	17	11
22	11	4	10	14	10
23	10	4	13	17	25
24	8	2	11	13	10
25	12	8	9	17	13
26	13	7	6	13	14
27	11	21	9	30	11
28	7	2	10	12	15
29	8	9	9	18	8
30	13	.....	11	11	17
31	14	12	6	18	5
32	10	22	8	30	10
33	6	.....	7	7	7
34	12	5	13	18	10
35	8	1	7	8	13
36	7	4	10	14	18

[fol. 1434] P. Ex. 86, p. 9

37	5	4	11	15	11
38	12	.....	9	9	13
40	10	2	11	13	9
41	11	2	12	14	13
42	15	5	8	13	11
43	17	2	10	12	15

	Number of competitors				
	Wholesale grocers	Meat competitors			Produce competitors
		Local	Outside	Total	
Car Route No. 44	17	2	14	16	15
45	10	4	11	15	9
47	7	1	8	9	9
48	14	11	6	17	26
49	8	2	5	7	11
50	13	12	8	20	11
51	13	3	8	11	14
52	9	12	6	18	15
54	10	10	9	19	13
55	10	2	7	9	5
56	12	3	10	13	9
58	12	7	7	14	17
59	11	1	10	11	11
60	12	10	7	17	12
61	12	6	12	18	14
63	9	1	6	7	12
64	9	1	7	8	9
67	13	6	13	19	27
68	9	17	7	24	12
73	16	3	7	10	9
74	12	5	10	15	9
76	9	12	12	24	16
77	16	6	9	15	17
79	11	1	6	7	7
81	7	5	6	11	8
84	14	12	13	25	16
87	12	4	9	13	14
Total	775	386	617	1003	862
So. St. Joseph, Mo., Car Route No. 1	11	5	14	19	23
2	15	3	6	9	11
3	13	3	11	14	16
4	28	3	9	12	15
5	13	3	11	14	11
6	12	14	9	23	14
7	17	8	18	26	24
8	5	2	4	6	7
9	17	8	9	17	14
10	19	10	8	18	17
11	14	10	9	19	7
12	23	17	6	23	22
15	13	1	11	12	12
16	12	13	9	22	5
17	13	3	11	14	14

[fol. 1435] P. Ex. 86, p. 10

18	8	12	12	24	13
19	23	5	5	10	13
21	13	6	6	12	11
22	11	17	7	24	12
23	14	8	7	15	14
24	20	8	6	14	16
25	15	19	8	27	17
26	13		16	16	18
27	12	2	6	8	9
28	12	5	12	17	20

	Number of competitors				
	Wholesale grocers	Meat competitors			Produce competitors
		Local	Outside	Total	
Car Route No. 29	14	2	14	16	13
30	12	7	8	15	8
31	22	5	9	14	14
34	17	3	10	13	13
Total	434	202	271	473	403
Omaha, Nebr.,					
Car Route No. 1	10	4	8	12	30
2	10	6	8	14	14
3	5	4	9	13	7
4	7	10	4	14	9
5	11	10	8	18	16
6	14	10	5	15	13
7	9	3	16	19	17
8	9	15	10	25	22
9	9	12	7	19	11
10	10	13	4	17	6
11	11	2	10	12	5
12	16	10	9	19	17
13	15	20	9	29	21
14	8	6	3	9	12
15	9	8	9	17	13
17	9	6	16	22	18
18	6	2	9	11	15
19	8	4	8	12	8
20	5	11	8	19	6
21	9	1	5	6	10
22	8	7	8	15	11
23	13	15	9	24	18
24	7	6	9	15	11
25	7	2	11	13	9
26	10	5	7	12	6
27	8	5	3	8	13
28	10	9	5	14	6
29	16	3	6	9	8
30	10	8	7	15	8
31	16	2	13	15	17
32	6	3	12	15	15
33	15	11	11	22	14
34	10	4	7	11	9
36	8	2	19	21	5
37	12	24	4	28	12

[fol. 1436] P. Ex. 86, p. 11

38	10	4	12	16	16
39	18	5	9	14	14
40	12	.....	5	5	7
41	7	9	6	15	9
42	9	14	11	25	10
43	10	6	7	13	16
44	8	1	6	7	2
45	10	20	9	29	30
46	10	8	5	13	8
47	18	19	5	24	17
Total	458	349	371	720	561

	Number of competitors				
	Wholesale grocers	Meat competitors			Produce competitors
		Local	Outside	Total	
Sioux City, Iowa, Car Route No. 1	5	8	8	16	8
2	11	12	5	17	13
3	14	12	4	16	18
4	13	4	8	12	13
5	9	.....	6	6	15
6	11	6	5	11	13
7	11	3	4	7	8
8	10	4	7	11	17
9	10	3	8	11	15
10	8	.....	7	7	10
11	11	.....	8	8	11
12	12	3	4	7	6
13	11	1	5	6	7
14	11	6	6	12	8
15	6	12	8	20	10
16	9	12	7	19	10
17	16	17	7	24	22
18	9	5	7	12	11
19	13	12	8	20	26
20	9	6	7	13	11
21	9	15	3	18	2
22	9	24	5	29	10
23	8	14	5	19	10
24	11	19	10	29	15
25	13	6	6	12	7
26	12	6	6	12	20
27	7	5	7	12	8
28	6	1	12	13	14
29	8	13	9	22	12
30	8	14	10	24	14
31	5	2	7	9	12
32	7	1	7	8	15
Total	312	246	216	462	391
So. St. Paul, Minn., Car Route No. 1	9	5	5	10	13
2	12	13	13	26	13
3	10	5	12	17	11
4	13	10	7	17	7

[fol. 1437] P. Ex. 86, p. 12

5	13	14	12	26	10
6	15	11	11	22	18
7	10	14	8	22	13
8	22	17	10	27	4
9	7	8	9	17	19
10	12	7	8	15	8
11	16	2	11	13	19
12	7	2	8	10	4
13	10	12	9	21	7
14	13	18	5	23	30
15	14	13	5	18	11
16	7	7	9	16	9
17	11	26	16	42	13
18	16	8	7	15	27
19	13	7	10	17	21
20	13	1	18	19	7

	Number of competitors				
	Wholesale grocers	Meat competitors			Produce competitors
		Local	Outside	Total	
Car Route No. 21	11	1	19	20	11
22	6	25	6	31	5
23	7	1	7	8	7
24	16	17	9	26	9
25	9	3	6	9	5
26	11	2	8	10	12
27	11	2	10	12	14
28	20	24	11	35	30
29	27	22	11	33	31
30	7	11	5	16	6
31	15	16	14	30	22
32	13	3	6	9	14
33	5	1	5	6	5
34	15	24	5	29	8
35	7	2	7	9	6
36	7	12	14	26	1
37	7	13	6	19	8
38	13	4	9	13	9
39	20	14	9	23	17
40	15	13	11	24	5
41	10	21	6	27	5
42	13	6	16	22	12
43	12	2	5	7	9
44	9	4	8	12	6
45	14	11	6	17	15
46	5	2	4	6	2
47	11	5	10	15	28
48	10	14	10	24	23
49	6	7	5	12	8
50	7	12	10	22	13
51	12	24	3	27	3
52	13	4	8	12	12
53, 55, 72	14	9	29	39	22
54	6	13	6	19	9
56	8	1	7	8	13
57	6	3	4	7	2
[fol. 1438]	P. Ex. 86, p. 13				
58	10	21	9	30	23
59	15	10	4	14	6
60	18	8	7	15	20
61	17	9	9	18	17
62	13	9	10	19	24
63	11	4	6	10	4
64	11	5	10	15	6
65	12	20	8	28	17
66	4	4	5	9	11
67	8	14	12	26	16
68	14	22	9	31	17
69	12	17	13	30	11
70	8	8	9	17	12
71	6	5	5	10	9
73	11	5	12	17	20
74	8	9	8	17	8
75	16	8	10	18	3
76	7	2	12	14	11
77	7	14	9	23	10
78	14	8	8	16	17

	Number of competitors				
	Wholesale grocers	Meat competitors			Produce competitors
		Local	Outside	Total	
Car Route No. 79	8	1	8	9	5
80	9	6	6	12	14
81	7	3	5	8	4
82	9	9	14	23	13
83	8	4	8	12	8
84	8	4	7	11	26
85	9	2	5	7	5
86	14	10	11	21	24
87	15	4	9	13	11
88	11	7	8	15	23
89	11	15	8	23	8
90	10	2	11	13	10
91	4	21	5	26	8
92	7	13	11	24	13
93	8	7	6	13	8
94	11	3	12	15	5
95	10	3	14	17	12
96	6	8	7	15	10
97	10	27	6	33	7
98	11	4	4	8	9
99	17	4	7	11	7
100	6	6	7	13	10
101	17	13	8	21	10
102	10	6	5	11	9
103	12	37	10	47	9
104	10	2	19	21	9
105	9	.....	19	19	9
107	8	.....	18	18	8
108	14	30	5	35	6
109	5	.....	12	12	4
Total	1157	1001	958	1959	1237

[fol. 1439] P. Ex. 86, p. 14

Denver, Colo., Car Route No. 1	6	3	17	20	13
2	7	5	11	16	10
3	11	5	5	10	4
4	5	12	6	18	9
5	6	18	1	19	12
7	4	4	6	10	11
8	12	5	10	15	18
9	6	1	6	7	16
10	13	3	8	11	6
11	3	4	5	9	6
12	4	7	8	15	13
13	4	.....	12	12	9
14	4	1	4	5	10
15	8	3	7	10	10
16	9	2	5	7	8
17	10	18	8	26	9
18	9	2	12	14	12
20	7	1	7	8	9
21	11	2	9	11	7
22	11	3	7	10	10
23	9	.....	6	6	9
Total:	159	99	160	259	211

No. Portland, Oreg. Car Route No.	Number of competitors				
	Wholesale grocers	Meat competitors			Produce competitors
		Local	Outside	Total	
1	10	9	9	18	13
2	8	13	8	21	10
3	5	12	6	18	6
4	9	13	10	23	14
5	6	18	9	27	11
6	6	8	13	21	21
7	6	10	7	17	8
8	3	5	6	11	5
9	5	7	8	15	6
10	7	6	8	14	9
11	4	5	6	11	8
12	5	8	8	16	15
13	6	11	3	14	12
14	7	12	8	20	10
15	9	8	8	16	9
16	6	13	12	25	10
17	9	16	16	32	24
18	6	12	6	18	8
19	9	6	8	14	8
20	8	15	7	22	9
21	8	20	8	28	13
22	9	13	15	28	17
Total	151	240	189	429	246
Grand Total	6184	4652	6191	10843	7343

[fol. 1440] PETITIONER'S EXHIBIT 89

A List of Slaughterers, Meat Packers, and Meat Processors Who Handle "Unrelated Articles" Prohibited to the Four Defendant Packers

[fol. 1441] P. Ex. 89, p. 2

Name of firm	Address	Prohibited articles handled
A		
J. C. Adler Co	Joliet, Ill	Fish, vegetables and fruit.
Agar Packing & Provision Co	Chicago, Ill	Condiments and sauerkraut.
Albany Packing Co	Albany, N. Y	Fish.
Albert Lea Packing Co	Albert Lea, Minn	Fish, fruit, jams, jelly, etc., and sauerkraut.
American Packing & Provision Co.	Ogden, Utah	Fish, condiments and sauerkraut.
Arnold Bros	Chicago, Ill	Fruit, grape juice, jams, jelly, etc., sauces, condiments, relishes, sauerkraut and coffee.
B		
Babbitt Bros. Trading Co	Flagstaff, Ariz	Fish, vegetables, fruit, confectionery, syrups, soda fountain supplies, soft drinks, grape juice, molasses, honey, jams, jelly, etc., spices, sauces, condiments, relishes, sauerkraut, coffee, tea, chocolate, cocoa, nuts, flour, sugar, rice, bread, wafers, crackers, biscuits, and cereals.
Batchelder, Snyder, Dorr, & Doe Co. (Subsidiary of the General Foods Corporation.)	Boston, Mass	Fish, vegetables, fruit, syrups, molasses, jams, jelly, etc., spices, sauces, condiments, relishes, sauerkraut, coffee, tea, chocolate, nuts, and cereals.

[fol. 1442] P. Ex. 89, p. 3

Name of firm	Address	Prohibited articles handled
The Wm. Bauer Co	Cleveland, Ohio	Fish, vegetables, fruit, soft drinks, jams, jelly, etc., spices, sauces, condiments, relishes, sauerkraut and coffee.
The Baumgardner Supply Co	Uniontown, Pa	Fish, vegetables, fruit, grape juice, molasses, honey, jams, jelly, etc., sauces, condiments, relishes, sauerkraut, coffee, tea, chocolate, cocoa, nuts, flour, sugar, rice, bread, wafers, crackers, biscuits and cereals.
W. A. Bean & Sons	Bangor, Me	Condiments, relishes and sauerkraut.
J. W. Beardsley & Sons	Newark, N. J	Fish.
Beck & Hill	Pittsburgh, Kans	Fish, vegetables, relishes and sauerkraut.
Beech-Nut Packing Co	Canajoharie, N. Y	Fish, vegetables, fruit, confectionery, soda fountain supplies, soft drinks, grape juice, molasses, honey, jams, jelly, etc., spices, sauces, condiments, relishes, coffee, tea, cocoa, nuts, wafers, crackers and biscuits.
Betbeze Bros	Meridian, Miss	Fish.
Louis Bobak Sausage Factory	Ennis, Tex	Fish.
Bradley Gregg Meat Co	Trinidad, Colo	Bread.

The Brandt Co	Cleveland, Ohio	Fish, vegetables, fruit, sauerkraut and tea.
Buehler Bros. (E. Godel & Sons)	Peoria, Ill	Fish, vegetables, sauces, relishes and sauerkraut.
Butler Packing Co.	Butler, Pa	Fish and sauerkraut.
C		
Carstens Packing Co	Tacoma, Wash	Fish, spices, pickles and sauerkraut.
Chamberlain & Co	Boston, Mass	Fruit.
Cheshire Beef & Products Co	Keene, N. H	Fish, vegetables and fruit.
Chippewa Sausage Co	Chippewa Falls, Wis	Fish, vegetables and sauerkraut.
Chitwood Packing Co	McCook, Nebr	Spices, relishes and sauerkraut.
Consolidated Beef & Provision Co	Baltimore, Md	Fish and vegetables.
Cudahy Bros. Co	Cudahy, Wis	Sauerkraut.
D		
T. H. Davis Co	Middleport, Ohio	Fish, vegetables, fruit. sauerkraut, coffee and tea
Jacob E. Decker & Sons (Subsidiary of Adolf Gobel, Inc.)	Mason City, Iowa	Fish, relish and sauerkraut.
Sam Debinsky	Saginaw, Mich	Sauerkraut.
Deerfoot Farms Co. (Subsidiary of The National Dairy Products Co.)	Southboro, Mass	Vegetables.

Name of firm	Address	Prohibited articles handled
Detroit Packing Co	Detroit, Mich	Sauerkraut.
Jacob Dold Packing Co	Buffalo, N. Y	Fish, vegetables, fruit, malt syrup, honey, jams, jelly, etc., sauces, condiments, relishes, olives, pickles, sauerkraut, coffee and cocoa.
Dothan Packing Co	Dothan, Ala	Fish.
Drummond Packing Co	Eau Claire, Wis	Fish.
Dunlevy-Franklin Co	Pittsburgh, Pa	Fish.
Dunn-Ostertag Packing Co	Wichita, Kans	Relishes.
Duquoin Packing Co	Duquoin, Ill	Soda fountain supplies, jams, jelly, etc., condiments and relishes.
E		
Elliott & Co	Duluth, Minn	Fish.
East Tennessee Packing Co	Knoxville, Tenn	Fish, vegetables, soups, fruit, jams, jelly, etc., and sauerkraut.
Eatmore Products Co	Wisconsin Rapids, Wis	Fish, spices, condiments, relishes, sauerkraut and coffee.
Emmart Packing Co	Louisville, Ky	Fish.
J. H. Ennis	Milledgeville, Ga	Fish, vegetables and fruit.
Ennis Market & Sausage Factory	Ennis, Tex	Fish.
F		
Field Packing Co	Owensboro, Ky	Condiments and relishes.

A. Fink	Newark, N. J	Fish, vegetables, soups, fruit and sauerkraut.
Wm. Fockes Sons Co	Dayton, Ohio	Fish, fruit and sauerkraut.
Jacob Forst Packing Co	Kingston, N. Y	Sauerkraut.
Frank & Co	Milwaukee, Wis	Sauerkraut and bread.
Frye & Co	Seattle, Wash	Fish and sauerkraut.
G		
Adolf Gobel, Inc	New York City, N. Y	Condiments, relishes, pickles and sauerkraut.
Goodyear Bros	Sunderland, Mass	Vegetables.
Great Falls Meat Co	Great Falls, Mont	Fish.
H		
Haas-Davis Packing Co	Mobile, Ala	Fish, vegetables, fruit, confectionery, syrups, soft drinks, grape juice, molasses, honey, jams, jelly, etc., spices, sauces, condiments, relishes, sauerkraut, coffee, tea, chocolave, cocoa and nuts.
Edward Hahn	Johnstown, Pa	Relishes and sauerkraut.
Hammond Standish Co	Detroit, Mich	Sauerkraut.
John Hervitz	Harrisburg, Pa	Fish.
Herziger Sausage Factory	Sheboygan, Wis	Relishes and sauerkraut.
Charles Horner	Salt Lake City, Utah	Fish and sauerkraut.

[fol. 1446] P. Ex. 89, p. 7

Name of firm	Address	Prohibited articles handled
P. E. Holz & Son	Charleston, W. Va	Fish and condiments.
Geo. A. Hormel & Co	Austin, Minn	Fish, malt syrup, relishes and sauerkraut.
Hughes-Curry Packing Co	Anderson, Ind	Fish.
Hull & Dillon Packing Co	Pittsburg, Kans	Condiments and relishes.
Hy-grade Food Products Corp	New York, N. Y	Fish, vegetables, fruit, soda fountain supplies, molasses, jams, jelly, etc., spices, sauces, relishes, sauerkraut, coffee and tea.
I		
Indiana Provision Co	Indianapolis, Ind	Fish.
J		
Jones Chambliss Co	Jacksonville, Fla	Fish, syrups, grape juice, jams, jelly, etc., spices, sauces, condiments, relishes, sauerkraut, coffee, tea, chocolate, cocoa, flour, sugar, rice and cereals.
K		
K. & B. Packing & Provision Co	Denver, Colo	Fish.
Kansas Packing Co	Manhattan, Kans	Fish.
K. & R., Inc	Hastings, Nebr	Fish, vegetables, fruit, jams, jelly, etc., sauces, relishes and sauerkraut.
Keefe-Le Sturgeon	Arkansas City, Kans	Fish, condiments and sauerkraut.

Kerber Packing Co	Elgin, Ill	Fish, condiments and sauerkraut.
Kingan & Co	Indianapolis, Ind	Fish, vegetables, fruit, jams, jelly, etc., sauces, condiments, relishes and sauerkraut.
Felix Klys	Webster, Mass	Fruit and sauerkraut.
Kriel Packing Co	Baltimore, Md	Fish and sauerkraut.
Kroger Grocery & Baking Co	Cincianati, Ohio	Fish, vegetables, fruit, confectionery, syrups, soft drinks, grape juice, molasses, honey, jams, jelly, etc., spices, sauces, condiments, relishes, sauerkraut, coffee, tea, chocolate, cocoa, nuts, flour, sugar, rice, bread, wafers, crackers, biscuits and cereals.
Kuhner Packing Co	Muncie, Ind	Fish.
L		
Las Vegas Mercantile Co	Trinidad, Colo	Fish, vegetables, fruit, molasses, honey, jams, jelly, etc., spices, condiments, relishes, coffee, tea, chocolate, cocoa, flour, sugar, rice, bread, wafers, crackers, biscuits and cereals.
Leavenworth Packing & Storage Co.	Leavenworth, Kans	Fish, relishes and sauerkraut.
Lima Packing Co	Lima, Ohio	Fish and vegetables.

Name of firm	Address	Prohibited articles handled
Livingston's Fancy Food Products Co.	Los Angeles, Calif	Fish.
The Lohrey Packing Co	Cincinnati, Ohio	Sauerkraut.
Lee Lutz Mc	Meridian, Miss	Fish.
J. T. McMillan Co	St. Paul, Minn	Fish, condiments, malt, relishes and sauerkraut.
M		
Madison Packing Co., Inc	Madison, Wis	Fish, jams, jelly, etc., condiments, relishes and sauerkraut.
G. W. Martin	Cumberland, Md	Sauces, sauerkraut and coffee.
Oscar Mayer & Co	Chicago, Ill	Confectionery, condiments, relishes and sauerkraut.
Joe. Michael	Meridian, Miss	Fish.
Miller & Hart	Chicago, Ill	Relishes and sauerkraut.
Milner Provision Co	Frankfort, Ind	Fish.
Modern Sausage Co	Salt Lake City, Utah	Fish.
Morgan Packing Co	Tuscaloosa, Ala	Fish.
M. Morgan	Meridian, Miss	Fish.
John Morrell & Co	Ottumwa, Iowa	Vegetables, jams, jelly, etc., sauces, condiments, relishes and sauerkraut.
Morton Gregson Co	Nebraska City, Nebr	Vegetables, jams, jelly, etc., condiments, relishes and sauerkraut.
Munns Bros	Lexington, Ky	Fish.

N		
The New Zanesville Provision Co.	Zanesville, Ohio	Fish, vegetables, fruit, confectionery, syrups, soda fountain supplies, grape juice, molasses, honey, jams, jelly, etc., spices, sauces, condiments, relishes, sauerkraut, coffee, tea, chocolate and cocoa.
Norfolk Packing Co	Norfolk, Va	Fish, vegetables, fruit, condiments and sugar.
Norman Packing Co	Portsmouth, Va	Fish, vegetables, fruit, syrups, jams, jelly, etc., condiments, coffee, tea, and sugar.
North Side Packing Co	Pittsburgh, Pa	Fish, fruit and sauerkraut.
Novaky Bros	Perth Amboy, N. J	Sauerkraut.
O		
L. A. O'Donnell Estate	Vincennes, Ind	Fish.
Oswald & Hess	Pittsburgh, Pa	Fish, fruit and sauerkraut.
P		
Parrot Packing Co	Ft. Wayne, Ind	Fish.
G. M. Peet Packing Co	Chesaming, Mich	Sauerkraut.
Peyton Packing Co	El Paso, Tex	Fish.
Purity Sausage Co	Mankato, Minn	Fish.

Name of firm	Address	Prohibited articles handled
R		
Rath Packing Co.	Waterloo, Iowa	Fish, vegetables, fruit, jams, jelly, etc., and sauerkraut.
Reading Abattoir Co	Reading, Pa	Sauces, relishes and sauerkraut.
C. H. Rice Co	Bangor, Me	Fish, vegetables and fruit.
C. E. Richards & Sons	Muscatine, Iowa	Fish, condiments, relishes and sauerkraut.
M. Robles Com'l Co., Inc	Sonora, Ariz	Fish, vegetables, fruit, confectionery, syrups, soda fountain supplies, soft drinks, grape juice, molasses, honey, jams, jelly, etc., spices, sauces, condiments, relishes, sauerkraut, coffee, tea, chocolate, cocoa, nuts, flour, sugar, rice, bread, wafers, crackers, biscuits and cereals.
Roseland Farm & Manufacturing Co.	Warrensburg, Mo	Vegetables and fruit.
S		
Sanitary Packing Co	Klamath Falls, Ore	Fish.
Salt Lake Sausage Co	Salt Lake City, Utah	Fish.
Sarnecki Bros	Cleveland, Ohio	Fish, vegetables, fruit, confectionery syrups, grape juice, jams, jelly, etc., spices, sauces, condiments, relishes, sauerkraut, coffee, tea, chocolate, cocoa, nuts, flour, sugar, rice, bread, wafers, crackers, biscuits and cereals.

Scala Packing Co	Utica, N. Y.	Pickles.
S. Schafer Packing Co	Walsenburg, Colo	Fish.
Jacob Schlacter & Sons Co	Cincinnati, Ohio	Relishes and sauerkraut.
Schaffner Bros. Co	Erie, Pa	Sauerkraut.
Schoene Sausage Co	Racine, Wis	Fish.
Sedalia Packing Co	Sedalia, Mo	Sauces, condiments and relishes.
Seegar & Harrison	Montgomery, Ala	Fish.
J. Seiler & Sons	Trenton, N. J	Fish and sauerkraut.
E. G. Shinner & Co	Flint, Mich	Fish and sauerkraut.
T. M. Sinclair & Co	Cedar Rapids, Iowa	Vegetables, sauces, condiments and relishes.
Otto Stahl	New York City, N. Y	Condiments, spices and sauerkraut.
Standard Sausage Co	Minneapolis, Minn	Fish.
The Stedman Co	Athens, Ohio	Fish.
Sullivan Packing Co	Detroit, Mich	Sauerkraut.
D. D. Sutton	Provo, Utah	Fish, vegetables, fruit, confectionery, syrups, soft drinks, grape juice, molasses, honey, jams, jelly, etc., spices, sauces, condiments, relishes, sauerkraut, coffee, tea, chocolate, cocoa, nuts, flour, sugar, rice, bread, wafers, crackers, biscuits and cereals.

Name of firm	Address	Prohibited articles handled
T		
Toffic Monsour	Flint, Mich	Fish, vegetables and fruit.

[fol. 1452] P. Ex. 89, p. 13

Twin City Packing Co	Menominee, Mich	Sauerkraut and coffee.
U		
Upchurch Packing Co	Atlanta, Ga	Fish.
United Home Dressed Beef Co	Altoona, Pa	Sauerkraut.
V		
Vette & Zuncker Packing Co	Chicago, Ill	Coffee.
W		
Wahkousa Packing Co	Fort Dodge, Iowa	Fish.
Weimer Packing Co	Wheeling, W. Va	Vegetables, fruit, syrups, jams, jelly, etc., condiments, relishes and sauerkraut.
White Provision Co	Atlanta, Ga	Fish.
Y		
C. A. Young Co	Johnstown, Pa	Relishes and sauerkraut.
Z		
Wm. Zeller & Co	Pittsburgh, Pa	Fish, sauces, relishes and sauerkraut.

[fol. 1453] PETITIONER'S EXHIBIT 90

List of Chain Stores Performing Meat-packing Operations

[fol. 1454] P. Ex. 90, p. 2

Name of firm	Location of establishment	Meat packing operations performed	How long carried on
S. A. Alexander	Chicago, Ill	Meat Warehouse	5 Yrs.
Amarillo Wholesale Meat Company: (8 markets)	Amarillo, Texas	Meat Warehouse Meat Cutting	2 Yrs.
C. Amend & Son, Inc (4 stores) (4 markets)	Des Moines, Iowa	Meat Warehouse Sausage Making Bacon Slicing Meat Cutting Meat Processing Slaughtering	25 Yrs.
American Stores Co (2645 stores) (654 markets)	Binghamton, N. Y	Meat Warehouse Sausage Making	3 Yrs.
	Philadelphia, Pa	Meat Warehouse Bacon Slicing	20 years
	Baltimore, Md	Meat Warehouse Bacon Slicing	5 Yrs.
J. B. Blood Co (5 stores) (5 markets)	Lynn, Mass	Meat Warehouse	10 Yrs.

Name of firm	Location of establishment	Meat packing operations performed	How long carried on
H. C. Bohack Co., Inc. (504 stores) (230 markets)	Brooklyn, N. Y.	Meat Warehouse Sausage Making Bacon Slicing Meat Cutting Meat Processing	10 Yrs.
Bowman-Lauer Co	Chicago, Ill	Sausage Making Meat Processing	5 Yrs.
Brockelman Bros., Inc. (12 stores) (2 markets)	Worcester, Mass	Meat Warehouse Bacon Slicing Meat Cutting	1 Yr.
Brown & Colombo	Herrin, Ill	Meat Warehouse	15 yrs.
Buehler Bros., Inc	Chicago, Ill	Sausage Making Bacon Slicing Meat Processing	5 Yrs.
Community Meat Markets, Inc (15 markets)	Chicago, Ill	Meat Warehouse	8 Yrs.
[fol. 1455]	P. Ex. 90, p. 3		
J. W. Crook (161 stores) (81 markets)	Baltimore, Md	Meat Warehouse Sausage Making Bacon Slicing Meat Processing	7 Yrs.

Danahy-Faxon Stores, Inc. (160 stores) (100 markets)	Buffalo, N. Y.	Sausage Making Meat Processing	5 Yrs.
Daniel Bros. (5 markets)	Columbia City, Ind.	Meat Warehouse Sausage Making Bacon Slicing Meat Cutting Meat Processing Slaughtering	2 Yrs.
Daniel Grocery Co (15 stores) (9 markets)	Murphysboro, Ill.	Meat Warehouse	4 Yrs.
Dryfus Pkg. & Prov. Co	Lafayette, Ind.	Meat Warehouse Sausage Making Bacon Slicing Meat Cutting Meat Processing Slaughtering	10 Yrs.
Eastern Packing Co (25 markets)	Decatur, Ill.	Meat Warehouse	7 Yrs.
Economy Grocery Stores Corp (364 stores) (82 markets)	So. Boston, Mass.	Meat Warehouse Bacon Slicing Meat Cutting	2 Yrs.
J. C. Edenton	Jackson, Tenn.	Meat Warehouse	27 Yrs.

Name of firm	Location of establishment	Meat packing operations performed	How long carried on
Evan Groc. Co. (6 stores) (6 markets)	Gallipolis, Ohio	Meat Warehouse	2 Yrs.
Feilchenfeld Bros., Inc (28 markets; some handle groceries)	Chicago, Ill	Meat Warehouse	5 Yrs.
[fol. 1456]	P. Ex. 90, p. 4		
First National Stores (2659 stores) (192 markets)	Somerville, Mass	Meat Warehouse Sausage Making Bacon Slicing Meat Cutting Meat Processing	4 Yrs.
E. W. Fulmer Co (51 stores) (44 markets)	Lima, Ohio	Sausage Making Bacon Slicing	3 Yrs.
Fulton Market (4 markets)	Des Moines, Ia.	Sausage Making	15 Yrs.
Fulton Markets (41 stores) (41 markets)	Waterbury, Conn	Sausage Making Bacon Slicing Meat Processing	5 Yrs.
General Market House Co (75 markets)	Chicago, Ill	Meat Warehouse	9 Yrs.

S. A. Glass	Lexington, Ky	Meat Warehouse	8 Yrs.
The J. E. George Groc. Co	Liberal, Kans	Slaughtering	3 Yrs.
(15 stores)			
(15 markets)			
The Great Atlantic & Pacific Tea Company	Albany, N. Y	Bacon Slicing	8 Yrs.
(15390 stores)			
(3000 markets)			
	Atlanta, Ga	Meat Warehouse	
		Bacon Slicing	
	Baltimore, Md	Meat Warehouse	10 Yrs.
	Buffalo, N. Y	Meat Warehouse	
		Bacon Slicing	
	Charlotte, N. C	Meat Warehouse	3 Yrs.
		Bacon Slicing	
	Chicago, Ill	Bacon Slicing	6 Yrs.
	Cleveland, O	Meat Warehouse	
		Bacon Slicing	
		Meat Cutting	
	Columbus, O	Bacon Slicing	1 Yrs.

[fol. 1457]

P. Ex. 90, p. 5

	Detroit, Mich	Meat Warehouse	3 Yrs.
		Bacon Slicing	
	Dorchester, Mass	Meat Warehouse	2 Yrs.
	Flint, Mich	Meat Warehouse	

Name of firm	Location of establishment	Meat packing operations performed	How long carried on
The Great Atlantic & Pacific Tea Co	Grand Rapids, Mich	Meat Warehouse	1-1/2 Yrs.
	Indianapolis, Ind	Meat Warehouse	2 Yrs.
		Bacon Slicing	
	Jacksonville, Fla	Meat Warehouse	5 Yrs.
		Bacon Slicing	
	Jamaica, N. Y	Meat Warehouse	2 Yrs.
		Bacon Slicing	
	Newark, N. J	Meat Warehouse	2 Yrs.
		Bacon Slicing	
	New Haven, Conn	Bacon Slicing	4 Yrs.
	New York, N. Y	Meat Warehouse	2 Yrs.
		Bacon Slicing	
	Norfolk, Va	Meat Warehouse	3 Yrs.
	Philadelphia, Pa	Meat Warehouse	1 Yr.
		Bacon Slicing	
	Pittsburgh, Pa	Bacon Slicing	
	Portland, Me	Meat Warehouse	3 Yrs.
		Bacon Slicing	
	Providence, R. I	Meat Warehouse	4 Yrs.
		Bacon Slicing	

	Richmond, Va.	Meat Warehouse	10 Yrs.
		Bacon Slicing	
	Somerville, Mass.	Bacon Slicing	10 Yrs.
	Springfield, Mass.	Meat Warehouse	1 Yr.
		Bacon Slicing	9 Yrs.

[fol. 1458]

P. Ex. 90, p. 6

	Syracuse, N. Y.	Meat Warehouse	1 Yr.
		Bacon Slicing	
	Washington, D. C.	Meat Warehouse	4 Yrs.
		Bacon Slicing.	
Jay C. Groub Co.	Seymour, Ind.	Meat Warehouse	33 Yrs.
H. G. Hill Co.	Nashville, Tenn.	Meat Warehouse	8 Yrs.
		Sausage Making	
		Bacon Slicing	
(240 stores)	Chattanooga, Tenn.	Meat Warehouse	
(40 markets)		Bacon Slicing	
H. G. Hill Stores, Inc.	New Orleans, La.	Bacon Slicing	7 Yrs.
(110 stores)			
(31 markets)			
Hill Groc. Co.	Birmingham, Ala.	Meat Warehouse	10 Yrs.
(269 stores)		Bacon Slicing	
(105 markets)			
	Montgomery, Ala.	Bacon Slicing	5 Yrs.

Name of firm	Location of establishment	Meat packing operations performed	How long carried on
Hoegner & Canteeniny	Lima, O	Meat Warehouse Sausage Making Bacon Slicing Meat Cutting Meat Processing Slaughtering	4 Yrs.
R. Horky (16 markets)	Chicago, Ill	Meat Warehouse Sausage Making Meat Processing	3 Yrs.
Home Stores, Inc (35 stores)	Chattanooga, Tenn	Meat Warehouse Bacon Slicing	
Max Kollner & Co., Inc	Jamaica, N. Y	Meat Warehouse Meat Processing Sausage Making	12 Yrs.
Kroger Grocery & Baking Co (5575 stores) (3191 markets)	Cincinnati, O		22 Yrs.
	Columbus, O	Meat Warehouse Sausage Making (continued)	1 Yr.

Columbus, O. (continued)		Bacon Slicing Meat Cutting Meat Processing Slaughtering	
Dayton, O.		Meat Warehouse	4 Yrs.
Detroit, Mich.		Meat Warehouse Sausage Making	7 Yrs.
Grand Rapids, Mich.		Meat Warehouse Bacon Slicing	4 Yrs.
Herrin, Ill.		Meat Warehouse	2 Yrs.
Huntington, W. Va.		Meat Warehouse	2 Yrs.
Little Rock, Ark.		Meat Warehouse Bacon Slicing	2 Yrs.
Madison, Wis.		Meat Warehouse	2 Yrs.
Memphis, Tenn.		Meat Warehouse Bacon Slicing	10 Yrs.
Roanoke, Va.		Meat Warehouse	3 Yrs.
Loblaw Groceteria Co. (119 stores)	Chicago, Ill.	Bacon Slicing	1-1/2 Yrs.
	Buffalo, N. Y.	Bacon Slicing	2 Yrs.
Logan Bros. Co. (144 stores)	Bridgeport, Conn.	Bacon Slicing	4 Yrs.

Name of firm	Location of establishment	Meat packing operations performed	How long carried on
Lubbock Wholesale Meat Co.	Lubbock, Texas	Meat Warehouse Sausage Making Bacon Slicing Meat Cutting Meat Processing Slaughtering	1-1/2 Yrs.
M. & H. Stores (15 stores) (5 markets)	York, Pa	Meat Warehouse	
[fol. 1460]	P. Ex. 90, p. 8		
McMarr Stores (1394 stores) (345 markets)	San Francisco, Calif	Meat Warehouse Bacon Slicing	1-1/2 Yrs.
	Klamath Falls, Ore	Meat Warehouse Smoked Meats	
	Denver, Colo	Meat Warehouse. Bacon Slicing. Meat Cutting	
F. Major Markets (2 markets)	Mishawaka, Ind	Meat Warehouse Sausage Making Bacon Slicing Meat Cutting Meat Processing Slaughtering	50 Yrs.

McCarty-Holman Co	Jackson, Miss.	Sausage Making Bacon Slicing Meat Processing	2 Yrs.
McDonald Packing Co. (12 markets)	Lubbock, Texas	Meat Warehouse Sausage Making Bacon Slicing Meat Cutting Meat Processing Slaughtering	7 yrs.
Merkel Bros., Inc (Subsidiary of Adolph Gobel, Inc.)	Jamaica, N. Y.	Meat Warehouse Sausage Making Bacon Slicing Meat Processing	15 Yrs.
Mid-West Wholesale Groc. Co (6 stores) (6 markets)	DuQuoin, Ill.	Meat Warehouse	3 Yrs.
Miles & Botts (16 stores) (3 markets)	Metropolis, Ill	Meat Warehouse	6 Yrs.
Milner Prov. Co	Frankfort, Ind.	Meat Warehouse Sausage Making Bacon Slicing Meat Cutting Meat Processing Slaughtering	10 Yrs.

Name of firm	Location of establishment	Meat packing operations performed	How long carried on
Modern Markets (15 stores) (15 markets)	Gallipolis, O	Meat Warehouse	3 Yrs.
Mutual Groc. Co (404 stores) (117 markets)	Newark, N. J.	Meat Warehouse Meat Cutting	2 Yrs.
Mutual Produce Co (Star Market Co.) (8 markets)	Chicago, Ill	Meat Warehouse Meat Processing	6 Yrs.
National Food Stores Co (8 stores) (8 markets)	Dodge City, Kans.	Slaughtering	1 Yr.
National Tea Co (1604 stores) (185 markets)	Minneapolis, Minn	Meat Warehouse	4 Yrs.
Oakleys Econ. Stores (83 stores) (48 markets)	Terre Haute, Ind	Meat Warehouse Sausage Making Meat Cutting	20 Yrs.
L. Oppenheimer, Inc. (85 stores) (85 markets)	New York, N. Y	Meat Warehouse Meat Cutting Meat Processing	17 Yrs.

David Pender Groc. Co.	Norfolk, Va.	Meat Warehouse	15 Yrs.
(410 stores)		Bacon Slicing	
(410 stores)			
(58 markets)			
	Richmond, Va.	Meat Warehouse	3 Yrs.
	Charlotte, N. C.	Meat Warehouse	
		Bacon Slicing	
K. W. Rogers	Dyersburg, Tenn	Meat Warehouse	21 Yrs.
(7 stores)			
(5 markets)			
Roughan Grocery Co.	Vincennes, Ind.	Meat Warehouse	10 Yrs.
(29 stores)			
(5 markets)			
Sanitary Grocery Co	Richmond, Va.	Meat Warehouse	2 Yrs.
(Subsidiary of Safeway Stores, Inc.)	Baltimore, Md.	Meat Warehouse	1-1/2 Yrs.
	Washington, D. C.	Meat Warehouse	18 Yrs.

[fol. 1462]

P. Ex. 90, p. 10

Clarence Saunders Corp	Memphis, Tenn	Meat Warehouse	3 Yrs.
		Bacon Slicing	
	Nashville, Tenn	Meat Warehouse	3 Yrs.
	Montgomery, Ala.	Bacon Slicing	3 Yrs.
A. W. Sewell Co.	Salt Lake City, Utah	Bacon Slicing	1 Yr.
(13 stores)		Meat Cutting	

Name of firm	Location of establishment	Meat packing operations performed	How long carried on
Shaffer Stores Co (81 stores) (60 markets)	Tyrone, Pa.	Meat Warehouse Sausage Making Bacon Slicing Meat Cutting Meat Processing Slaughtering	1-1/2 Yrs.
E. G. Shinner & Co (51 stores)	Chicago, Ill.	Meat Warehouse	3 Yrs.
O. P. Skaggs (Utah Stores Co.)	Salt Lake City	Bacon Slicing Meat Cutting	1 Yr.
J. A. Skinner Stores (4 stores)	Albuquerque, N. M.	Meat Warehouse Meat Cutting	2 Yrs.
Standard Market Co (14 stores) (14 markets)	Salt Lake City, Utah	Bacon Slicing Meat Cutting Sausage Making	3 Yrs.
Nathan Strauss, Inc (226 markets)	Brooklyn, N. Y.	Meat Warehouse	22 Yrs.
Tradewater Groc. Co (18 stores) (5 markets)	Madisonville, Ky.	Meat Warehouse	2 Yrs.
Max Truns Pork Stores, Inc (33 markets)	Brooklyn, N. Y.	Meat Warehouse Meat Processing	25 Yrs.

		Sausage Making Bacon Slicing	
Union Meat Stores (10 markets)	Harrisburg, Pa.	Meat Warehouse Meat Processing	3 Yrs.
United Groceries & Markets, Inc.	Seattle, Wash.	Meat Warehouse	

[fol. 1463] P. Ex. 90, p. 11

United Markets, Inc.	Tampa, Fla.	Meat Warehouse Sausage Making Bacon Slicing Meat Cutting Meat Processing	7 Yrs.
The U. S. Stores Corp. (945 stores) (56 markets)	Columbus, O.	Meat Warehouse	
Weis Pure Food Stores (107 stores) (12 markets)	Sunbury, Pa.	Meat Warehouse Sausage Making	12 Yrs.
Western States Groc. Co. (Owned by Safeway Stores Co.)	Oakland, Calif.	Meat Warehouse Bacon Slicing	1/2 Yr.
	Portland, Oregon	Meat Warehouse	1-1/2 Yrs.
	Denver, Colo.	Meat Warehouse	1 Yr.
	Salt Lake City, Utah	Meat Warehouse	3 Yrs.

Name of firm	Location of establishment	Meat packing operations performed	How long carried on
Wichita Meat & Prov. Co	Wichita Falls, Texas	Meat Warehouse Meat Cutting	1 Yr.
The Winn-Lovett Co (96 stores) (58 markets)	Jacksonville, Fla	Meat Warehouse Sausage Making Bacon Slicing Meat Cutting	3 Yrs.
D. L. Wood & Sons "Wood Way Stores" (13 stores) (11 markets)	Benton, Ill	Meat Warehouse	6 Yrs.
Workman's Cash Markets (15 stores) (15 markets)	Clearfield, Pa Philipsburg, Pa	Meat Warehouse Sausage Making Bacon Slicing Meat Cutting Meat Processing Slaughtering	1/2 Yr.
Wright's Markets, Inc. (10 stores) (9 markets)	Lima, O	Sausage Making Bacon Slicing	5 Yrs.
Young's Market Co., Inc (46 stores) (46 markets)	Los Angeles, Calif	Meat Warehouse Sausage Making Meat Cutting Meat Processing	15 Yrs.

[fol. 1464]

Pet. Ex. 105

Armour and Morris Combined

	Sales	Net worth Capital and surplus	Net results	Result to sales $1.00	Result to sales $100	Result to sales $1,000	% on net worth
1920	$1,260,280,428	$265,096,000	$2,365,000	.00188	.188	1.88	.89
1921	842,406,895	284,653,000	43,158,000R*	.05123R	5.123R	51.23R	15.16R
1922	864,715,942(a)	255,457,000(a)	10,175,000(a)R	.01177R	1.177R	11.77R	3.98R
1923	882,420,738	298,456,000	15,691,000	.01778	1.778	17.78	5.26
1924	875,406,599	278,587,000	18,310,000	.02091	2.091	20.91	6.57
1925	970,388,953(b)	286,921,000(b)	14,452,000(b)	.01488	1.488	14.88	5.04
1926	808,648,211(c)	286,476,000(c)	8,148,000(c)	.01007	1.007	10.07	2.84
1927	961,132,269	286,519,000	538,000	.00055	.055	.55	.19
1928	972,799,398	277,241,000	11,326,000	.01164	1.164	11.64	4.09
1929	1,004,196,488(d)	276,956,000(d)	9,811,000(d)	.00976	.976	9.76	3.54

*Deficit.
(a) 61 weeks.
(b) 53 weeks.
(c) 42 weeks.
(d) 53 weeks.

[fol. 1465]

Pet. Ex. 106

Armour and Company

1920	$906,203,251	$208,869,000	$5,320,000	.00587	.587	5.87	2.547
1921	609,907,492	231,381,000	31,710,000R	.05199R	5.199R	51.99R	13.705R
1922	651,146,136(a)	214,158,000	7,629,000(a)R	.01172R	1.172R	11.72R	3.562R
1923	882,420,738	298,456,000	15,691,000	.01778	1.778	17.78	5.257

(a) 61 weeks.

Morris and Company

1920	$354,077,177	$56,227,000	$2,955,000	.00836 Red	$ .835 Red	$ 8.35 Red	5.255Red
1921	232,499,401	53,272,000	11,448,000 Red	.04924 Red	4.924 Red	49.24 Red	21.490Red
1922	213,569,806	41,299,000	2,546,000 Red(b)	.01192 Red	1.192 Red	11.92 Red	6.165Red

(b) Up to October 28, 1922.

[fol. 1466] PET. EX. 107

Armour and Company and Subsidiaries

Domestic Dollar Sales of Edible Products for the Years 1920 to 1929, inclusive

(Including Morris & Co. for Years 1920, 1921, and 1922)

Year	
1920	$925,560,838
1921	629,248,902
1922	566,512,575
1923	612,407,304
1924	601,485,834
1925	678,804,271
1926	708,578,054
1927	693,580,325
1928	700,823,692
1929	723,808,394

[fol. 1467] PET. EX. 108

Armour and Company and Subsidiaries

Domestic Dollar Sales of Edible Meat and Meat Products for the Years 1920 to 1929, Inclusive

(Including Morris & Co. for Years 1920, 1921, and 1922)

Year	
1920	$698,077,776
1921	490,853,803
1922	446,862,924
1923	485,935,763
1924	474,690,009
1925	533,232,888
1926	561,380,991
1927	534,679,670
1928	537,052,054
1929	562,642,631

[fol. 1468] PET. EX. 109

The Following Table Indicates Who Armour and Company's Customers Are Composed of

	Percent to total
Independent Grocery and Meat Stores (Including voluntary chains)	50.9
Chain Grocery and Meat Stores	17.2
Restaurants, Cafeterias, Hotels, etc.	6.9
Schools and Colleges	2.6
Bakers	2.3
Sausage Makers	3.1
Meat Peddlers	3.1
Wholesalers	2.
Meat Jobbers	6.4
Department Stores	.4
Manufacturing (Industrial)	2.4
All Others	2.7
	100.%

[fol. 1469] PET. EX. 110

Armour and Company Chain Store Sales

Year 1928	$63,400,000
" 1929	73,700,000
" 1930	85,400,000
Year 1930 sales to largest single customer	$25,027,836
Per cent to total	29.3

(Here follows Pet. Ex. 111, side folio 1470)

1470]

PET. EX. 111

Armour and Company

(in Thousands)

	Net dollar sales	Net result before Federal taxes and depreciation	Net earnings available for dividends	Dividends declared		Credits to surplus	Net worth at end of year	Capital stock outstanding at end of year	
				Preferred	Common			Preferred	Common
20—52 weeks	$906,203	$10,043	$5,320	$3,088	$2,000	.....	$231,382	$50,670	$100,000
21—52 weeks	609,907	31,078 Loss	31,710 Loss	3,547	2,000	20,000 (1)	214,158	50,671	100,032
22—61 weeks	651,146	610	7,629 Loss	4,434	.....	9,625 (1)	259,704	119,295	109,032
23—52 weeks	816,269	23,670	15,691	8,358	.....	.....	278,587	132,762	100,034
24—52 weeks	875,409	27,465	18,310	9,293	.....	.....	286,921	132,114	100,000
25—53 weeks	970,388	23,722	14,452	9,248	5,000	.....	286,476	131,465	100,000
26—43 weeks	808,648	16,811	8,149	6,902	1,000	.....	286,520	131,465	100,000
27—52 weeks	961,132	9,680	588	9,169	.....	.....	277,241	130,816	100,000
28—52 weeks	972,799	20,316	11,326	9,080	.....	.....	276,956	130,168	100,000
29—53 weeks	1,004,196	18,855	9,811	8,992	.....	.....	276,658	129,519	100,000

(1) Property appreciation.

Armour and Company and Morris and Company Combined

ear	Net dollar sales	Net earnings available for dividends
20	$1,260,280	$2,365
21	842,407	43,158 Loss
22	864,716	10,175 Loss
23	882,421	15,691

[fol. 1471] PET. EX. 112

Armour and Company

Details of Net Worth (at End of Year)

	Capital Stock					
	Preferred					
	Illinois	Delaware	N.A.P. Co.	Common	Surplus	Total net worth
1920.....	$50,670	.....	.....	$100,000	$80,711	$231,381
1921.....	50,671	.....	.....	100,032	63,455	214,158
1922.....	59,295	$60,000	.....	100,032	40,376	259,703
1923.....	59,298	64,864	$8,600	100,034	45,791	278,587
1924.....	59,298	64,216	8,600	100,000	54,807	286,921
1925.....	59,298	63,567	8,600	100,000	55,011	286,476
1926.....	59,298	63,567	8,600	100,000	55,055	286,520
1927.....	59,298	62,918	8,600	100,000	46,424	277,240
1928.....	59,298	62,270	8,600	100,000	46,788	276,956
1929.....	59,298	61,621	8,600	100,000	47,139	276,658

[fol. 1472] PET. EX. 113

Armour Sales to Trade of Unrelated Lines, Years 1919 to 1930, Inclusive

1919—52	Weeks	.....	$40,148,733*
1920—52	"	.....	34,738,039*
1921—52	"	.....	11,159,796*
1922—61	"	.....	5,372,591*
1923—52	"	.....	3,132,607*
1924—52	"	.....	2,318,318
1925—53	"	.....	2,475,862
1926—43	"	.....	3,496,190
1927—52	"	.....	6,343,329
1928—52	"	.....	6,642,250
1929—53	"	.....	7,307,962
1930—47	"	to September 27	4,386,971

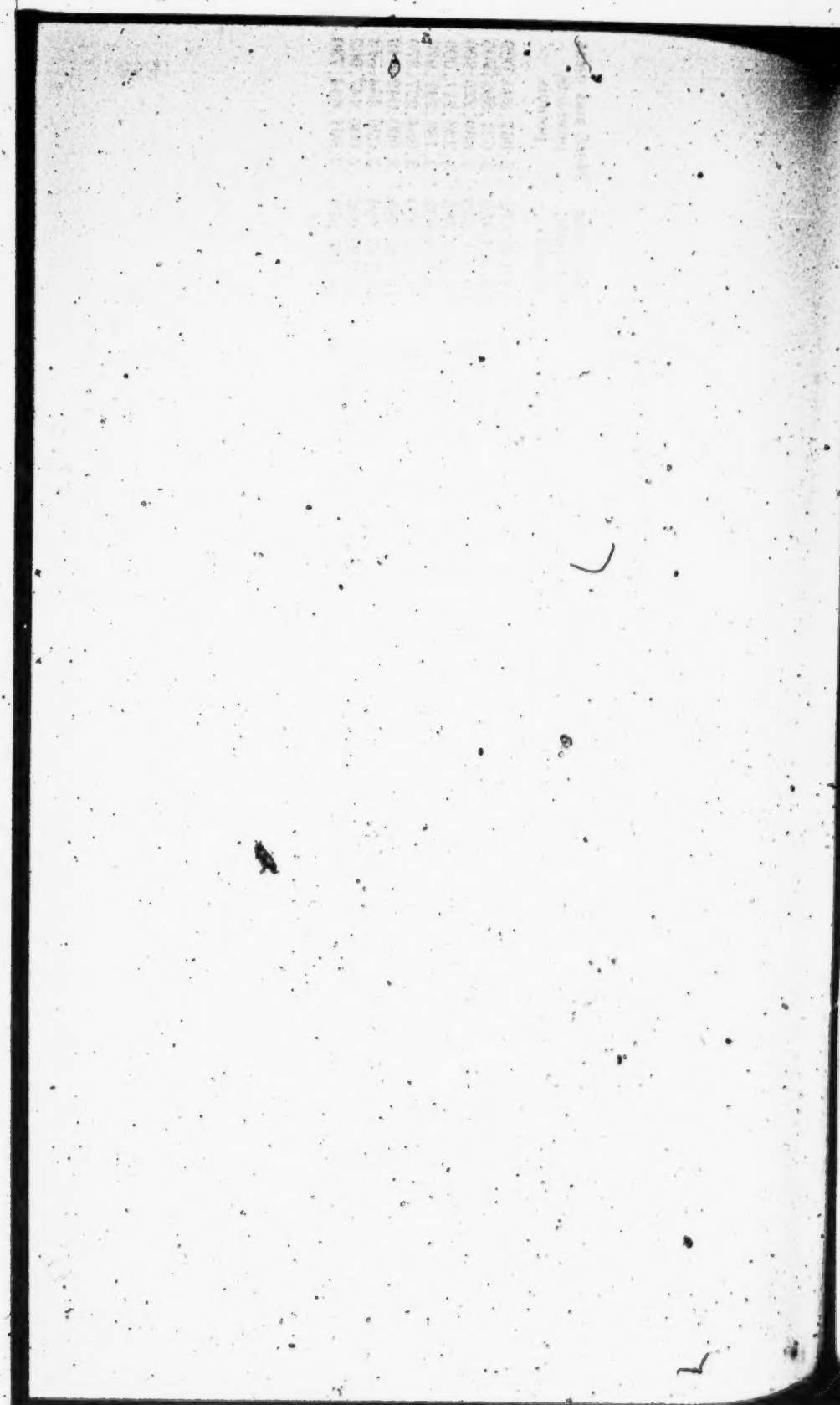
*Includes Morris & Co.

(Here follows Pet. Ex. 114, side folio 1473)

Armour and Company and Subsidiaries' Domestic Sales Tonnage, 1920 to 1929, Inclusive

(Including Morris and Co. and Subsidiaries for the Years 1920 to 1922, Inclusive)

ar	Butter, pounds	Eggs, cases	Poultry, pounds	Cheese, pounds	Oleomargarine, pounds	Lard substitutes, pounds	Hides, pounds	Canned and dried fruits, pounds	Meat and meat products, pounds
20	104,790,889	2,272,693	63,635,391	81,965,150	45,893,009	113,346,841	153,622,459	73,185,576	2,967,396,000
21	92,117,681	1,997,838	55,939,449	72,052,444	22,001,950	122,958,307	125,327,765	39,328,459	2,631,502,705
22	91,961,175	1,994,443	55,844,410	71,930,027	19,036,560	102,562,404	136,043,163	6,581,438	2,669,275,800
23	94,288,000	2,044,110	57,258,000	73,750,000	28,811,347	96,915,250	146,852,039	1,992,755	3,236,211,000
24	86,621,000	2,226,371	55,129,000	72,098,000	27,254,883	121,887,314	141,934,129	3,020,893	3,186,247,970
25	96,018,000	2,105,324	58,167,000	75,134,000	33,878,364	166,539,766	163,648,352	4,969,900	3,084,227,370
26	102,950,000	2,174,463	54,663,000	79,487,000	37,240,008	164,709,132	158,462,435	17,146,485	3,090,042,340
27	109,240,000	2,262,833	66,173,000	72,789,000	42,099,485	190,110,502	141,449,672	34,793,996	3,026,383,873
28	108,243,000	2,178,866	69,903,000	68,939,000	49,281,097	163,541,740	123,425,799	42,750,000	2,906,447,962
29	101,754,000	2,242,507	71,789,000	70,921,000	55,320,044	164,935,792	123,683,760	48,495,976	2,891,634,780



[fol. 1474] Pet. Ex. 119—M. D. R., Oct. 28, '30

Armour and Company, Including Morris and Company

Number of Branches, 1920 to 1930, Inclusive

October 30, 1920	557
October 29, 1921	545
December 30, 1922	523
December 29, 1923	519
December 27, 1924	516
January 2, 1926	512
October 30, 1926	498
October 29, 1927	483
October 27, 1928	468
November 2, 1929	402
September 1, 1930	391

[fol. 1475] Pet. Ex. 120—M. D. R., Oct. 28, '30

Armour and Company, Including Morris and Company

Branch House Sales, 1920 to 1929, Inclusive

Year	
1920	$681,792,969
1921	488,526,478
1922	447,783,387
1923	493,392,657
1924	494,019,559
1925	551,940,310
1926	572,598,867
1927	551,753,001
1928	554,172,812
1929	571,792,824

[fol. 1476] PET. EX. 121—M. D. R., OCT. 28, '30

Armour and Company

Cars Owned

October 30, 1920	4,965**
October 29, 1921	4,861**
December 30, 1922	4,845**
December 29, 1923	7,650*
December 27, 1924	7,402
January 2, 1926	7,190
October 30, 1926	7,301
October 29, 1927	7,070
October 27, 1928	6,723
November 2, 1929	6,766

* Acquired from Morris & Co., 3,081 cars.
** Does not include Morris cars.

1920 Armour Cars	4,965
Morris owned cars	2,943
Total October 30, 1920	7,908
" Nov. 2, 1929	6,766
Decrease	1,142
Percent decrease	14.4

[fol. 1477] PET. EX. 122—M. D. R., OCT. 28, '30

Armour and Company

Number of Car Routes (At End of Year)

1920	761*
1921	727*
1922	733*
1923	650
1924	643
1925	594
1926	531
1927	537
1928	519
1929	410
1930 September 1	317

* Includes Morris & Co. car routes.

[fol. 1478] PET. EX. 123—M. D. R., OCT. 28, '30

Number of Towns Served by Armour and Company, Branch Houses and Car Routes, September, 1930

Total Number of Towns in Branch House Territories	16,032
Total Number of Towns in Car Route Territories	5,233

This includes all towns listed regardless of size.

[fol. 1479] PET. EX. 124—M. D. R., OCT. 28, '30

Dollar Purchases and Sales of Unrelated Commodities Made by Armour and Company Monthly Since August 1, 1929

		Purchases	Sales	Consignment sales
August,	1929	$410,871	$875,702	.....
September,	"	170,113	489,466	.....
October,	"	558,385	756,456	.....
November,	"	463,253	288,131	.....
December,	"	282,787	221,354	.....
January,	1930	268,724	320,116	.....
February,	"	319,794	413,148	.....
March,	"	369,102	353,885	$28,626
April,	"	189,244	336,303	51,813
May,	"	235,408	553,110	150,590
June,	"	96,513	323,635	75,932
July,	"	289,815	368,392	49,729
August,	"	350,729	415,496	57,273
September,	"	309,500	303,816	75,622

NOTE.—Purchases include goods from Armour and Company owned plant at Westfield, N. Y., and from National Fruit Canning Co., Seattle, Wash., which is 87½% owned by Armour and Company.

[fol. 1480] PET. EX. 127

Kraft-Phenix Cheese Corporation Acquired by National Dairy Products Corp.

History:

Incorporated in Illinois November 10, 1928, as successor to Kraft-Phenix Cheese Co.; Incorporated in Illinois September 20, 1924, as Kraft Cheese Co.; a consolidation of:

J. L. Kraft & Bros. Co., Chicago.
Kraft Bros. Cheese Co., Plymouth, Wisc.
Jacob Marty Co., Brodhead, Wisc.
Langlade County Creamery Co., Antigo, Wisc.
Penn-Kraft Co., Pittsburgh, Pa.

Name changed to Kraft-Phenix Cheese Co., February 23, 1928.

Company manufactures sterilized cheese, put up in tinfoil and cans, and through its subsidiaries manufactures mayonnaise, etc. Also does a jobbing business.

Principal manufacturing plants are located at Chicago, Ill., Plymouth, Green Bay, Sheboygan, Brodhead and Beaver Dam, Wisc., Pocatello, Idaho, San Francisco and Nacasio, Calif., Selma, Ala., Rotterdam, Holland, Lowville and So. Edmeston, N. Y., Melbourne, Australia, Montreal, Canada, Hayes, England, Milledgeville and Stockton, Ill., Concordville, Pa., Atlanta, Ga., and Bayamo, Cuba.

Subsidiaries—100% of common stock owned:

Kraft-Phenix Cheese Co. (Wis.).
Kraft-Phenix Cheese Co., Ltd. (Can.).
Kraft Cheese Co., Ltd. (Eng.).
Kraft Cheese Co., M. B. H. (Ger.).
Kraft-Phenix Dairies, Inc. (Wis.).
Phenix Cheese Co., Ltd. (Eng.).
Badger-Brodhead Cheese Co. (Wis.).
Bradley Cheese Co. (Pa.).
Cloverleaf Creameries, Inc. (Del.).
Food Specialties Dist. Co. (Ill.).
Grover-Ansted Cheese Co. (Ohio).
Lowville Cold Storage Co. (N. Y.).
Miller-Richardson Co., Inc. (N. Y.).
National Cheese Co. (Ill.).

C. A. Stranbel Co. (Wis.).
Valley Cheese Co. (Ohio).
Ward Dry Milk Co. (Minn.).

[fol. 1481] Majority of common stock owned in following companies:

Betz and Jay (Holl.)
Bitter Root-Ravalli Dairy Products Co. (Del.)
Cheney (C. R.) Co..
Dairy State Cold Storage Co. (Wis.)
International Wood Products Co. (Del.)
Kraft-Phenix Cheese Co. of Cuba.
Kraft-Walker Cheese Co., Pty., Ltd. (Australia.)
Laabs Cheese Co. (Wis.)
Maher Cheese Co. (Cal.)
North American Cold Storage Co. (Ill.)
Porter Cheese Co. (Mass.)
Sanchez Cheese Co. (Ill.)
Southern Dairies, Inc. (Del.)
Western Slope Cheese Co. (Col.)
Wheeler-Riddle Cheese Co. (N. Y.)
Winkley Cheese Co. (Wash.)

On May 12, 1930, stockholders approved acquisition of Company by National Dairy Products Corporation.

[fol. 1482]

PET. EX. 127

Financial Record of Kraft-Phenix Cheese Corporation, as Reported by Moody's Manual of Industrials

Year Ended	Sales	Moody Vol.	Net earnings available for dividends	Moody Vol.	Percent earned on sales	Total stockholders' investment (includes capital stock and surplus at the beginning of each year	Moody Vol.	Percent earned on total stockholders' investment
Dec. 31, 1922	$16,241,690	1924	$880,634	1924	5.42	.....	.....	.....
Mar. 31, 1923 (3 months)	4,041,029	1924	101,176	1924	2.50	$4,484,673	1924	9.02
Mar. 31, 1924	23,754,546	1926	997,221	1926	4.20	3,225,032	1924	.....
" " 1925	31,097,386	1926	1,417,331	1926	4.56	6,579,252	1926	21.54
Dec. 31, 1926	36,285,447	1930	507,766	1930	1.40	8,002,277	1926	6.35
" " 1927	37,386,915	1930	922,969	1930	2.47	12,239,685	1926	7.54
" " 1928	75,648,426	1930	2,155,610	1930	2.85	15,967,442	1928	13.50
" " 1929	86,393,675	1930	3,502,840	1930	4.05	27,204,957	1930	12.87
1930	.....	....	.....	....	....	46,755,485	1930	.....

Year ended	Total assets at beginning of each year	Moody Vol.	Percent earned on total assets
Dec. 31, 1922	.....	.....	.....
Mar. 31, 1923 (3 months)	$7,263,045	1924	5.57
Mar. 31, 1924	4,499,729(1)	1924	.....
" " 1925	10,155,641	1926	13.96
Dec. 31, 1926	13,905,029	1926	3.65
" " 1927	15,431,569	1926	5.98
" " 1928	25,821,866	1928	8.35
" " 1929	38,953,243	1930	8.99
1930	51,286,763	1930	.....

(1) Not consolidated.

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1928 " " 2467
1930 " " 2288

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PET. EX. No. 135

Wholesalers Who Own Retail Stores

Wholesaler	Location	Total stores		Meat stores	
		1920	1930	1920	1930
Abbott-Gwaltney Co., Inc.	Norfolk, Va.	.....	29	.....	2
The Fred N. Albrecht Grocery Co.	Akron, Ohio	50	123	.....	51
Allied Grocers, Inc.	Marshfield, Ore.	.....	15	.....	3
American Grocery Co.	Jacksonville, Fla.	30	40	15	25
Angelo Bros.	Winston-Salem, N. C.	.....	4	.....	1
Ardmore Flour & Feed Co.	Ardmore, Okla.	.....	4	.....	.....
Babbitt Bros. Trading Co.	Flagstaff, Ariz.	6	12	6	8
J. G. Ball Co.	Raleigh, N. C.	.....	6	.....	5
Batson Grocery Co.	Sylacauga, Ala.	.....	7	.....	2
Bell Grocery Co., Inc.	Pineville, Ky.	.....	8	.....	10
Belton Who. Grocery Co.	Greenville, S. C.	.....	29	.....	1
Bibee Grocery Co., Inc.	Lynchburg, Va.	.....	7	.....	6
A. Blanton Grocery Co.	Marion, N. C.	.....	19	.....	19
F. K. Brown Co.	Brookville, Pa.	.....	5	.....	4
Geo. Bubb & Sons	Williamsport, Pa.	.....	32	.....	4
The Carolina Grocery Co.	Georgetown, S. C.	.....	4	.....	.....
Carolina Grocery Co.	Hamlet, N. C.	.....	5	.....	1
Carter Grocery Co., Inc.	Gainesville, Ga.	.....	2	.....	2
Carter Grocery Co.	Russellville, Ala.	.....	8	.....	8
Cash Economy Who. Gro. Co.	McKenzie, Tenn.	.....	24	.....	3
Cash & Carry Who. Gro.	Fall River, Mass.	.....	31	.....	20
Central Who. Grocery Co.	Columbia, S. C.	.....	12	.....	3
The Colorado Supply Co.	Denver, Colo.	15	18	15	15
J. F. Conrad Grocer Co.	St. Louis, Mo.	5	8	5	6
Cooper Grain & Grocery Co.	Cooper, Tex.	.....	3	.....	3
Corso Tedesco & Co., Inc.	Biloxi, Miss.	.....	3	.....	3
Cox Bros., Inc.	Columbus, Miss.	.....	6	.....	2
R. L. Craig & Co., Inc.	Los Angeles, Calif.	.....	30	.....	3
Consumers Food Stores, Inc.	Bridgeport, Ct.	.....	22	.....	.....
Daniel Grocery Co.	Murphysboro, Ill.	.....	11	.....	2
Daniel's, Inc.	La Grange, Ga.	.....	7	.....	1
Davis & Humphries	Lubbock, Tex.	.....	12	.....	8

PET. EX. No. 135—Continued

Wholesaler	Location	Total stores		Meat stores	
		1920	1930	1920	1930
Carolina Stores, Inc	Lenoir, N. C	.....	42	.....	19
Delchamps Grocery Co	Mobile, Ala	1	6	1	6
Thos. A. Dewire & Son	Somerville, Mass	.....	27	.....	.....
Dickson Who. Grocery Co	Dickson, Tenn	.....	5	.....	3
The Wm. H. Dunne Co., Inc	Norwich, N. Y	.....	125	.....	3
Durham Bros. & Co., Inc	Roanoke, Va	.....	24	.....	24
Eagle Grocery Co	Union, S. C	.....	2	.....	2
Ebbs Bros. & Co	Asheville, N. C	.....	8	.....	8
The Wm. Edwards Co	Cleveland, O	.....	23	.....	8
Eisner Grocery Co	Champaign, Ill	12	69	1	42
Rudolph Ensslen Sons	Reading, Pa	1	3	1	3
Erwin Who. Co., Inc	Spartanburg, S. C	.....	10	.....	10
Evans Terry Co	Laurel, Miss	.....	10	.....	10
Fairmont Feed & Storage Co	Fairmont, W. Va	.....	15	.....	12
G. Z. Faulconer & Co	Lexington, Ky	.....	6	.....	6
S. M. Flickinger Co., Inc	Buffalo, N. Y	150	400	.....	8
Foss Bros. Co., Inc	Olean, N. Y	2	2	2	2
A. Frey & Son	Paris, Ill	.....	2	.....	2
C. E. Geohegan Sons & Co., Inc	Chase City, Va	.....	15	.....	10
S. A. Glass	Lexington, Ky	17	30	15	30
[fol. 1484]					
D. C. Goff Co	DeQueen, Ark	.....	4	.....	.....
A. Gordon & Co., Inc	New London, Conn	.....	28	.....	9
The Grafton Feed & Storage Co	Grafton, W. Va	.....	16	.....	.....
Greenville Supply Co., Inc	Greenville, N. C	.....	10	.....	3
Greer, Autry & Sons	Mobile, Ala	20	35	.....	.....
The John C. Groub Co	Seymour, Ind	.....	30	.....	7
Harrisburg Who. Grocery Co	Harrisburg, Ill	7	7	7	7
Hasson Grocery Co	Meridian, Miss	.....	12	.....	3
Henke & Pillot, Inc	Houston, Texas	1	3	1	3
The Hickman & Lunbeck Grocery Co	Greeley, Colo	.....	4	.....	4
H. G. Hill Co., Inc	Nashville, Tenn	80	240	20	40
Hoagland-Robbins Co., Ltd	Long Beach, Cal	.....	5	.....	.....
Holleb & Co., Inc	Chicago, Ill	.....	17	.....	.....
Home Grocery Co., Inc	Louisville, Ky	.....	6	.....	.....
Hooven Mercantile Co	Mauch Chunk, Pa	.....	28	.....	1

Howard-Bobbitt Co	Sanford, N. C	.....		11	.....	1
Hudson Duncan & Co	Portland, Ore	.....		30	.....	13
Italo Trading Co., Inc	New York, N. Y	.....		6	.....	.....
Kane Milling & Grocery Co	Kane, Pa	.....		7	.....	2
Kelley Bros. Co	Atlanta, Ga	.....		3	.....	.....
Joyce-Pruit Co	Rosewell, N. M	7		10	.....	.....
C. D. Kenny Co	Baltimore, Md	35		100	.....	.....
The Kerr Co	Evansville, Ind	.....		12	.....	.....
King Food Prod. Supply Co	Troy, N. Y	1		18	.....	5
King Grocery Co	Columbus, Ga	.....		7	.....	4
Kingman & Everett, Inc	Macon, Ga	3		7	.....	1
Lakeland Grocery Co	Lakeland, Fla	.....		15	.....	.....
Lanier Bros	Atlanta, Ga	.....		3	.....	.....
W. W. Lassiter	Vicksburg, Miss	.....		5	.....	5
Lewis Who. Gro. Co	Pikeville, Ky	.....		4	.....	4
Ligon & Ledbetter Co	Anderson, S. C	6		10	1	.....
Littlejohn & Smith	Spartanburg, S. C	.....		2	.....	.....
The Tom Lyle Grocery Co., Inc	Meridian, Miss	.....		14	.....	14
Marchowsky-Portage Co	Portage, Wis	1		5	1	1
The Marr-Bridger Grocery Co	Joplin, Mo	8		15	2	6
The McLelland-Kennard Co	Barnesville, O	.....		41	.....	.....
Frank McDonald	Knoxville, Tenn	.....		63	.....	.....
McElvey-Futch Co	Valdosta, Ga	.....		4	.....	4
C. G. Meaker Co., Inc	Auburn, N. Y	8		9	.....	.....
Mexico Who. Grocery Co	Mexico, Mo	.....		28	.....	4
Miami Who. Grocery Co	Miami, Fla	2		2	.....	.....
The Miles-Botts Co., Inc	Metropolis, Ill	.....		16	.....	3
Mississippi Coast Grocery Co., Inc	Gulfport, Miss	.....		10	.....	9
Modern Grocery Co	Macon, Ga	1		18	.....	1
W. T. & C. C. Myers	Elkin, N. C	.....		2	.....	.....
National Grocer Co	Detroit, Mich	.....		318	.....	134
Navarro Who. Grocery Co	Corsicana, Tex	.....		5	.....	.....
Okanogan Who. Grocery Co	Okanogan, Wash	.....		6	.....	.....
Paradies & Rich	Atlanta, Ga	.....		2	.....	2
Paxton Who. Grocery Co	Danville, Ill	2		38	.....	2
Phelps Grocery Co	Henderson, Ky	.....		25	.....	.....

PET. EX. No. 135—Continued

Wholesalers	Location	Total stores		Meat stores	
		1920	1930	1920	1930
Clement Pizzutelli	Monongahela, Pa	.....	12	.....	.....
Quality Cash Stores, Inc	Jamestown, N. Y	5	58	.....	.....
Rogers & Prater	Atlanta, Ga	.....	9	.....	4
Frank C. Schilling Co	Green Bay, Wis	.....	30	.....	.....
Schwarz-Alexander Co., Inc	Corpus Christi, Tex	.....	5	.....	5
R. J. Smith & Co	Somerset, Ky	.....	2	.....	.....
So. Georgia Grocery Co	Quitman, Ga	.....	60	.....	3
Spot Cash Who. Grocery Co	Hopkinsville, Ky	.....	4	.....	3
[fol. 1485]					
The David Spruks Co	Scranton, Pa	.....	38	.....	.....
The State Grocery Co	Moundsville, W. Va	.....	22	.....	1
N. L. Stedman & Co	Halifax, N. C	13	15	3	5
Stock Growers' Merc. Co	Rock Springs, Wyo	2	5	1	1
R. L. Stratton & Co	Staunton, Va	.....	12	.....	.....
Tanner-Brice Co	Vidalia, Ga	.....	15	.....	4
Thurston & Kingsbury Co	Bangor, Me	.....	11	.....	.....
Tolerton & Warfield Co	Sioux City, Ia	2	105	.....	36
Tollison-Davenport Co	Baxley, Ga	.....	4	.....	.....
Trade Water Grocery Co	Madisonville, Ky	.....	18	.....	5
Tri-City Grocery Co	Granite City, Ill	5	15	5	15
Valley Who. Grocery	Sacramento, Cal	.....	2	.....	.....
James D. Walker	Herrin, Ill	.....	5	.....	5
The Weideman Company	Cleveland, O	.....	24	.....	.....
Wheeler-Perry Co., Inc	Tucson, Ariz	.....	5	.....	.....
Wheeler Who, Grocery Co., Inc	Marion, S. C	.....	7	.....	3
Wichita Falls Who. Grocery Co	Wichita Falls, Texas	.....	16	.....	16
Wildwood Gro. Co	Wildwood, N. J	.....	2	.....	1
Wilkinson Gaddis & Co	Newark, N. J	17	404	.....	117
J. E. Williams' Son	Shelbyville, Tenn	.....	5	.....	.....
Winn & Lovett Grocery Co	Jacksonville, Fla	.....	96	.....	58
Woodruff & Cantrell	Spartanburg, S. C	.....	6	.....	3

D. L. Woods & Sons, Inc	Benton, Ill	.....	13	.....	11
Woodworth & Co., Inc	Concord, N.H	.....	7	.....	5
Wooten Gro. Co	Idabel, Okla	2	7	.....	2
Wright Turner Grocery Co	Mineral Wells, Texas	.....	4	.....	4
W. F. Zimmerman Grocery, Inc	LaSalle, Ill	6	6	.....	.....
Grand total		525	3,735	102	1,028

[fol. 1486]

PETITIONER'S EX. 136

(Page 51 of Petition)

Swift & Company

Sales and Earnings Statistics for 10 Years

Year ended	Sales	Invested capital, capital and surplus*	Earnings	Earnings, % on invested capital	Profit per dollar of sales
Oct. 30, 1920	$1,052,039,000	$238,381,900	$5,170,383	2.2	.0049
Nov. 5, 1921	735,040,000	231,552,283	7,812,292 R**	3.4 R	.0106 R
Nov. 4, 1922	655,681,000	211,739,991	13,049,217	6.1	.0199
Nov. 3, 1923	761,369,000	212,789,208	13,184,619	6.2	.0173
Nov. 1, 1924	785,221,000	213,973,827	14,125,988	6.6	.0180
Oct. 31, 1925	892,102,000	216,099,815	15,379,152	7.1	.0172
Nov. 6, 1926	953,797,000	219,478,967	15,645,242	7.1	.0164
Nov. 5, 1927	931,486,000	223,124,200	12,202,493	5.4	.0131
Nov. 3, 1928	972,940,000	223,326,702	14,813,182	6.6	.0152
Nov. 2, 1929	1,035,263,000	226,139,884	13,076,815	5.8	.0126

*Beginning of year. **Deficit. Source: Annual reports.

[fol. 1487] PETITIONER'S EX. 137

Swift and Company

Sales of Edible Products in U. S. A., Year 1929

Branch Houses	$599,726,000
Car Routes	154,129,000
United Dressed Beef Co., New York	18,693,000
East Side Beef Corporation, New York	1,527,000
New York Veal & Mutton Co., New York	5,220,000
J. J. Harrington & Co. " "	11,503,000
Swift & Co., Harrison, N. J.	4,482,000
H. C. Derby Co., New York	2,032,000
" Philadelphia	1,119,000
Eckerson Co., Jersey City	2,058,000
Van Wagenen & Schickhaus Co., Newark	5,548,000
Sturtevant and Haley Beef & Supply Co., Boston	2,639,000
Refineries	1,568,000
Produce Plants	4,585,000
East Cambridge Margarine Factory	310,000
E. K. Pond Company, Chicago	801,000
Hotel Supply Companies	4,793,000
V. W. Joyner & Company	164,000
Brokers	5,187,000
	826,084,000
Minus Soap Sold	9,834,000
Total	$816,250,000

[fol. 1488] PETITIONER'S EX. 138

U. S. Production of Butter, in Thousands of Pounds, Years 1920 to 1929, Incl.

Calendar year	Total U. S. production (000 omitted)	Swift and Company sales (000 omitted)	Swift and Company % to total production
1920	1,558,380	74,951	4.81
1921	1,736,741	79,297	4.57
1922	1,822,318	83,824	4.60
1923	1,898,017	86,009	4.53
1924	1,998,883	86,316	4.32

Calendar year	Total U. S. production (000 omitted)	Swift and Company sales (000 omitted)	Swift and Company % to total production
1925	1,991,329	91,099	4.57
1926	2,066,766	98,059	4.74
1927	2,096,495	104,793	5.00
1928	2,077,049	110,636	5.32
1929	2,177,027	121,639	5.59

[fol. 1489] PETITIONER'S Ex. 139

Total U. S. Consumption of Cheese Yearly, 1920 to 1929, Incl.

Calendar year	Total U. S. consumption of cheese (thousand pounds)	Swift and Company sales (thousand pounds)	Swift and Company sales % of consumption in U. S.
1920	405,545	67,329	16.60
1921	407,823	60,240	14.77
1922	440,296	62,705	14.24
1923	464,325	64,450	13.88
1924	521,826	67,077	12.85
1925	547,121	69,067	12.62
1926	578,456	72,433	12.52
1927	566,679	74,294	13.11
1928	581,525	73,476	12.62
1929	657,717	78,626	11.95

[fol. 1490] PETITIONER'S Ex. 140

Estimated Dressed Weight of Poultry Raised Total U. S., Years 1920 to 1929, Incl.

Year	Estimated dressed weight of poultry raised figuring 4 lbs. each (millions of lbs.)	Swift and Company sales (millions of lbs.)	Swift and Company % of total
1920	1,310	75	5.73
1921	1,546	72	4.66
1922	1,699	74	4.36
1923	2,050	85	4.15
1924	2,183	84	3.85
1925	1,948	93	4.77
1926	2,170	98	4.52
1927	2,061	111	5.39
1928	2,135	114	5.34
1929	2,323	119	5.12

[fol. 1491] PETITIONER'S Ex. 141

U. S. Egg Production, Years 1920 to 1929, Incl.

Year	Estimated production based on receipts 5 mkts. (millions of doz.)	Swift and Company sales (millions of doz.)	Swift and Company % of total
1920	1,607	86	5.35
1921	1,863	81	4.35
1922	1,990	90	4.32
1923	2,072	94	4.54
1924	1,913	93	4.86
1925	1,928	93	4.82
1926	1,926	115	5.97
1927	2,012	117	5.81
1928	2,003	119	5.94
1929	1,951	121	6.20

[fol. 1492] PETITIONER'S Ex. 142

Sales by Swift & Co. and Subsidiaries

Year	Meats and meat products, pounds	Oleomargarine, pounds	Lard substitutes, pounds	Hides, pounds
1920	2,587,234,000	56,568,500	128,162,700	89,395,804
1921	2,490,600,000	29,013,000	140,723,100	123,241,300
1922	2,538,233,000	21,630,200	110,239,500	96,634,500
1923	3,029,470,000	33,190,700	113,839,400	115,631,200
1924	3,022,075,000	37,440,900	133,915,800	117,146,800
1925	3,038,193,000	36,262,100	193,259,600	131,068,900
1926	3,090,389,000	44,516,200	229,321,500	135,014,200
1927	3,106,148,000	47,458,200	249,924,700	135,261,700
1928	3,072,500,000	54,577,700	240,838,200	116,218,200
1929	3,188,709,000	72,473,300	265,521,500	112,656,600

[fol. 1493] PETITIONER'S Ex. 143

Number of Branch Houses, Refrigerator Cars, Car Routes at End Each Fiscal Year—1920 to 1929, Inc.

Year	Branch houses	Refrigerator cars	Car routes
1920	371	7113	721
1921	372	6996	681
1922	370	6480	656
1923	368	6423	722
1924	390	5816	746
1925	406	5244	786
1926	407	4787	801
1927	408	5065	880
1928	430	5357	1026
1929	431	5509	1014

[fol. 1494] PETITIONER'S EX. 144

Sales Made by all Branch Houses in United States Only During Each Fiscal Year

Year	Sales to trade
1920	$557,098,584
1921	425,502,683
1922	377,158,396
1923	423,262,408
1924	432,874,098
1925	495,759,889
1926	553,728,836
1927	543,508,552
1928	558,359,397
1929	599,170,477

(Petitioner's Exhibits 145 and 146 follow, side folios 1495 and 1496)

[fol. 1495]

PET. EX. 145

Branch House and Packing House Markets under Plant Jurisdiction in United
Expense and Expense per cwt.

Year	Volume Weight	Pay roll Amount	Pay roll Per cwt.	Rent Amount	Rent Per cwt.	B. E. general expense Amount	B. E. general expense Per cwt.	Delivery Amount	Delivery Per cwt.	Refrigeration Amount	Refrigeration Per cwt.	R Am
1923	2,501,994,200	10,751,400	.431	1,628,697	.044	1,102,697	.044	3,020,131	.121	879,899	.044	362
1924	2,568,341,700	11,861,626	.462	1,747,248	.068	1,258,760	.049	3,192,441	.124	908,089	.035	457
1925	2,605,319,000	12,608,625	.484	1,919,843	.074	1,530,564	.059	3,333,782	.128	948,502	.036	558
1926	2,689,391,800	13,360,657	.497	1,971,112	.073	1,497,588	.056	3,492,991	.130	926,101	.035	572
1927	2,767,920,900	13,729,196	.496	1,982,223	.072	1,432,840	.052	3,471,823	.125	957,251	.035	49
1928	2,708,016,600	13,898,111	.513	2,043,812	.075	1,564,454	.058	3,496,894	.129	957,963	.035	45
1929	2,801,660,000	14,634,685	.523	2,130,324	.077	1,889,284	.067	3,576,266	.124	979,442	.036	551
1930 (9 Mos.)	2,019,214,300	10,827,007	.536	1,608,620	.080	1,290,467	.064	2,583,045	.128	707,861	.035	29

Pounds per Ticket

	Volume	Sales tickets	Pounds per ticket
1923	2,510,994,200	21,384,560	117
1924	2,568,341,700	22,931,530	112
1925	2,605,319,000	24,812,562	105
1926	2,689,391,800	26,110,600	103
1927	2,767,920,900	26,096,320	103
1928	2,708,016,600	27,354,713	99
1929	2,801,660,000	29,183,333	96
1930 (9 Mos.)	2,019,214,300	21,712,300	93

Number of Branch Houses and Packing House Markets under Plant Jurisdict

	Number opened	Number closed	Total number perating in U. only
1923	1	3	368
1924	23	1	390
1925	17	1	406
1926	9	8	407
1927	4	3	408
1928	25	3	430
1929	4	3	431
1930 (9 Mos.)	12	24	419

[fol. 1496]

PET. EX. 146

United States Car Routes

Volume, Expense, and Expense per Cwt., 1923 to 1929, Incl.

	Volume, weight, lbs.	Expense—salesmen's salary & expense, including auto expense Amount	Per cwt.	Sales dept. at headquarters, traveling supervisor's salary & expense Amount	Per cwt.	Clerical staff at headquarters Amount	Per cwt.	Bad debts Amount	Per cwt.	Ic Am
1923	599,171,555	$3,302,346	.551	$496,035	.082	$719,451	.120	$167,458	.028	$3
1924	599,084,580	3,551,693	.593	556,156	.093	741,122	.123	136,125	.023	4
1925	607,162,533	3,587,421	.591	554,456	.091	698,517	.115	148,411	.024	4
1926	634,151,642	3,732,040	.589	614,813	.097	727,444	.115	211,672	.033	4
1927	669,825,019	3,829,164	.571	657,294	.098	748,022	.112	223,767	.033	4
1928	722,089,908	4,222,076	.585	740,294	.103	798,927	.111	230,878	.032	4
1929	788,789,033	4,542,880	.575	826,874	.105	865,119	.109	327,767	.042	4

	Nnmber of orders	Pounds per order
1923	2,906,902	206
1924	3,047,360	197
1925	3,082,432	197
1926	3,758,421	169
1927	3,950,479	170
1928	4,377,049	165
1929	4,780,587	165

Per. Ex. 145

and Packing House Markets under Plant Jurisdiction in United States Only
Expense and Expense per cwt.

xpense Per cwt.	Delivery Amount	Per cwt.	Refrigeration Amount	Per cwt.	Repairs Amount	Per cwt.	Suspense Amount	Per cwt.	Depreciation Amount	Per cwt.	Other expenses Amount	Per cwt.	Total Amount	Per cwt
.044	3,020,131	.121	879,899	.044	362,493	.014	455,592	.018	669,117	.027	2,270,276	.091	21,140,302	.845
.049	3,192,441	.124	908,089	.035	457,632	.018	494,749	.019	705,838	.028	2,216,642	.087	22,844,025	.890
.059	3,333,782	.128	948,502	.036	558,551	.021	636,544	.024	939,603	.036	2,382,346	.092	24,858,359	.954
.056	3,492,991	.130	926,101	.035	572,751	.021	791,988	.029	788,516	.029	2,515,553	.093	25,917,257	.963
.052	3,471,823	.125	957,251	.035	499,110	.018	867,581	.031	854,537	.031	2,427,659	.088	26,222,229	.948
.053	3,496,894	.129	957,963	.035	455,721	.017	862,066	.032	858,619	.032	2,140,606	.079	26,278,246	.970
.067	3,576,266	.124	979,442	.036	551,248	.020	880,824	.032	1,044,090	.037	1,832,509	.066	27,518,672	.982
.064	2,583,045	.128	707,861	.035	299,884	.015	628,280	.031	830,476	.041	1,225,571	.061	20,001,211	.991

ranch Houses and Packing House Markets under Plant Jurisdiction

	Number opened	Number closed	Total number operating in U. S. only
.....	1	3	368
.....	23	1	390
.....	17	1	406
.....	9	8	407
.....	4	3	408
.....	25	3	430
.....	4	3	431
).....	12	24	419

Per. Ex. 146

United States Car Routes

Volume, Expense, and Expense per Cwt., 1923 to 1929, Incl.

t. at head- traveling or's salary xpense		Clerical staff at headquarters		Bad debts		Icing & reicing		Telegrams, telephones, stationery, postage, price lists, etc.		Total expense	
	Per cwt.	Amount	Per cwt.	Amount	Per cwt.	Amount	Per cwt.	Amount	Per cwt.	Amount	Per cwt.
35	.082	$719,451	.120	$167,458	.028	$378,878	.063	$335,771	.056	$5,399,939	.900
56	.093	741,122	.123	136,125	.023	415,568	.069	341,577	.057	5,742,241	.958
56	.091	698,517	.115	148,411	.024	417,645	.069	347,304	.057	5,753,754	.947
13	.097	727,444	.115	211,672	.033	415,648	.068	544,964	.086	6,246,581	.986
94	.098	748,022	.112	223,767	.033	434,448	.065	480,883	.072	6,373,578	.951
94	.103	798,927	.111	230,878	.032	431,476	.060	465,275	.063	6,878,926	.954
74	.105	865,119	.109	327,767	.042	415,133	.053	521,288	.066	7,499,061	.950

[fol. 1497] PET. EX. 153

Number of Branches February 1920		
Armour	398	
Morris	167	
	—	565
Number of Armour Branches closed since February 1920		78
Number of Morris Branches closed since February 1920		115
Number of Armour Branches opened since February 1920		17
Number of Morris Branches opened since February 1920		2
NOTE.—Since 1920—13 Morris Branches have been changed to Armour and Company.		
Number of Branches September 1, 1930		
Armour	350	
Morris	41	
	—	391
Number of Branch Houses sold since February 1920		69
Sales Price		$1,324,237.44
Number of Idle Branches September 1, 1930		57
Number owned	25	
Lumber leased	32	
	—	57
Original Cost		$2,562,416.17
Book Value 9/1/30		1,900,346.27
Number of Closed Branches leased to Other People		6
Number of Idle Branches February 1, 1920		7
Number owned	2	
Number leased	5	
	—	7
Original Cost		$29,997.40
Book Value 2/1/20		27,038.36

[fol. 1498] PETITIONER'S EX. 155

Comparison Average Yearly Results

	8 years, 1920 to 1927, incl.	2 years, 1926-1927	2 years, 1928-1929	
Newark, N. J.	$20,023.46	$5,620.90 R	$35,571.94	
Newburgh, N. Y.	1,339.00	102.75 R	12,615.57	
New Rochelle, N. Y.	599.00 R*	5,060.67 R	6,040.67	R
Danbury, Conn.	4,930.00	3,619.33	598.80	
Bridgeport, Conn.	2,316.00	9,063.70	2,831.24	
Flushing, N. Y.	1,179.00	1,584.42	19,464.14	
Stapleton, N. Y.	140.00 R	1,075.23	8,926.48	
Bayonne, N. J.	4,358.00	3,712.46	5,855.76	R
Long Branch, N. J.	574.00	3,026.14	6,367.13	
Asbury Park, N. J.	3,785.00	7,126.53	2,667.09	
Morristown, N. J.	6,930.00	7,326.46	6,777.07	
New Brunswick, N. J.	4,522.00 R	2,491.14	7,628.34 R	
Elizabeth, N. J.	2,879.00	1,770.01 R	10,859.10 R	
Somerville, N. J.	3,887.00	4,039.21	334.07	
Orange, N. J.	6,145.00	3,871.00 R	1,842.00 R	
Port Jervis, N. Y.	14,722.00	11,715.94	3,970.68	
Middletown, N. Y.	40,758.00	26,305.60	9,813.21	
Port Chester, N. Y.	288.00 R	1,541.13	6,406.26 R	
Perth Amboy, N. J.	11,537.00	15,472.17	9,576.01	

*Deficit.

[fol. 1499] PETITIONER'S EX. 157

Department of Agriculture, Washington, D. C.

April 16, 1930.

Pursuant to Section 661, Title 28, of the United States Code, I hereby certify that the following and annexed are true, correct and compared mimeograph copies of the originals, on file in the United States Department of Agriculture, of the notice and complaint of the Secretary of Agriculture entitled "Armour and Company of Illinois, Armour and Company of Delaware, J. Ogden Armour, Morris and Company, Respondents", issued February 17, 1923, and Conclusion and Order of the Secretary of Agriculture entitled "Secretary of Agriculture, Complainant, v. Armour & Company of Illinois, Armour & Company of Delaware, North American Provision Company, J. Ogden Armour and Morris & Company, Respondents", issued September 14, 1925, in Packers and Stockyards Administration Docket No. 19.

Witness my hand and the seal of the United States Department of Agriculture.

R. W. Dunlap, Acting Secretary of Agriculture.

(Seal.)

[fol. 1500] UNITED STATES OF AMERICA:

BEFORE THE SECRETARY OF AGRICULTURE, PACKERS AND STOCKYARDS ADMINISTRATION

Docket No. 19

SECRETARY OF AGRICULTURE, Complainant,

v.

ARMOUR & COMPANY OF ILLINOIS, ARMOUR & COMPANY OF DELAWARE, North American Provision Company, J. Ogden Armour, and Morris & Company, Respondents

CONCLUSION AND ORDER

This proceeding had its inception in several conferences in November and December, 1922, between the then Secretary of Agriculture, Hon. Henry C. Wallace, and officials of Armour & Company, in which the Secretary was informed that there was under consideration a purchase by Armour & Company of the physical properties, business and goodwill of Morris & Company. These officials expressed to the Secretary the hope that the proposed purchase would not be found to be in violation of law and that it would not meet with the opposition of the Department of Agriculture. On November 22, 1922, the Secretary addressed an inquiry to the Attorney General as to whether the terms of the Packers and Stockyards Act contemplated or required him to take any action with regard to such transaction in advance of its consummation. To this the Attorney General replied that the Act did not require the Secretary to take any formal action unless he had reason to believe that the law had been violated or was being violated, and that to constitute a violation of the Act there must be something more than a mere statement of what a person or corporation contemplates. Concluding his opinion, the Attorney General added that the Act vested the Secretary with

broad powers of inquiry and that he might make such inquiry.

On December 22, 1922, in response to Senate Resolution 364 of December 6, 1922, Secretary Wallace informed the Senate of the conferences he had had with the officials of Armour & Company, of his request to the Attorney General for opinion above referred to, and the opinion. In this report he stated that he had given careful consideration to [fol. 1501] the Packers and Stockyards Act, particularly to that portion which makes it unlawful for any packer "to engage in any course of business or do any act for the purpose or with the effect of manipulating or controlling prices in commerce, or of creating a monopoly in the acquisition of, buying, selling, or dealing in, any article in commerce, or of restraining commerce." He then stated that there was nothing in the Act itself which specifically prohibited the purchase by one packer of the physical assets of another and that the question seemed to be whether out of such a transaction would flow conditions or conduct which would come within the prohibitions of the Act. He then referred to a conference between the President, the Attorney General and himself on November 27, at which there was unanimity of agreement that there was no obligation upon either of them to endorse or acquiesce in the action proposed or to express an opinion concerning it; that, on the contrary, each was firmly of the opinion that none of them would or could be expected to approve in advance a transaction of this kind; and that the real question under discussion was whether the proposed purchase and sale might, in and of itself, be a violation of the law, or whether it was of such a nature as to warrant action by any of them in advance of its consummation. He concluded his report to the Senate with the following paragraph:

For some weeks I have been making certain investigations and studies for the purpose of trying to measure the probable effect upon competition in the buying of livestock and the selling of meat if the suggested purchase and sale should be completed, but as yet no occasion seems to have arisen which requires formal action. As to future action, that will depend altogether upon future events.

On December 30, 1922, J. Ogden Armour, acting for himself and in behalf of Armour & Company of Illinois, entered

into a written contract with Morris & Company to acquire all the physical assets, business and good-will of Morris & Company.

[fol. 1502] Thereafter, on February 17, 1923, the Secretary, having learned of the execution of this contract, issued and caused to be served upon Armour & Company of Illinois, Armour & Company of Delaware, J. Ogden Armour, and Morris & Company, as respondents, a complaint charging, in paragraphs 9, 10 and 11, as follows:

That the acquisition of said assets and business of Morris and Company by the respondents, J. Ogden Armour and Armour and Company of Illinois or Armour and Company of Delaware, on the one hand, and the acquisition of the stock of Armour and Company of Illinois or of Delaware by Morris and Company, on the other hand, as provided for in said contract or contracts, has the tendency or effect of restraining interstate commerce or of creating a monopoly in many sections and communities in various states of the United States in the purchase of livestock and in the shipment and sale of meat and other livestock products in many sections and communities in various States of the United States and in foreign countries.

That in the making of said contract or contracts or the carrying out thereof, the respondents, J. Ogden Armour and Armour and Company of Illinois or Armour and Company of Delaware are engaged in a course of business and have done an act for the purpose or with the effect of manipulating or controlling prices in the buying of livestock and the sale and distribution of the products thereof in interstate and foreign commerce and for the purpose or with the effect of restraining interstate and foreign commerce or of creating or tending to create a monopoly therein.

That by the acquisition by Armour and Company of Illinois or Armour and Company of Delaware of the assets and business of Morris and Company, including the stock or share capital or business of other corporations owned in whole or in part by Morris and Company, the names of which corporations are contained in said contract or contracts and the schedule or schedules annexed thereto, and the acquisition by Morris and Company as set forth in this complaint of the stock or share capital of Armour and Company of Illinois or Delaware, the respondents have

combined, arranged and agreed to eliminate entirely the respondent Morris and Company as a competitor of the other respondents and to materially increase the power of the other respondents to control and dominate the livestock and meat-packing industry in the United States and [fol. 1503] foreign countries, thereby restraining interstate commerce in many sections and communities in the United States and foreign countries in the purchase of live stock and the sale of live stock products, or tending to create a monopoly in interstate and foreign commerce in the buying of livestock and the sale and distribution of the products thereof in the United States and foreign countries.

On March 24, 1923, J. Ogden Armour and the North American Provision Company entered into a supplemental written agreement with Morris & Company and all of its stockholders for the sale of the physical properties, business and good-will of Morris & Company and its subsidiaries to the North American Provision Company, a subsidiary of Armour & Company. This agreement modified the original agreement of December 30, 1922, by providing among other things that no stock or share capital owned in whole or in part by Morris & Company should be transferred to Armour & Company or its nominee, the North American Provision Company. By virtue of this provision in the supplemental agreement, the charge contained in paragraph 11 of the complaint is eliminated from consideration. The purchase was consummated on March 28, 1923, since which time Morris & Company has not engaged in the meat packing business.

On April 23, 1923, the respondents filed an answer in which they specifically denied that they had violated or were violating any of the provisions of the Packers and Stockyards Act, and further setting up as an affirmative defense that the purchase was made in good faith and as an economic and industrial necessity.

Upon the issues thus joined, hearings were commenced at Kansas City, Mo., on April 30, 1923, on which date the North American Provision Company was made a party respondent to the proceedings by and with its consent and that of the other respondents. These hearings proceeded [fol. 1504] from time to time and were finally concluded at Chicago on October 31, 1924. The record thus made

consists of 12,265 typewritten pages and several hundred exhibits.

At the close of the hearings on October 31, 1924, time was allowed until January 2, 1925, for counsel for the Government, and until February 21, 1925, for counsel for the respondents, to draft and submit for consideration of the Secretary proposed findings as to the facts. Such findings were prepared and submitted within the time allowed. Oral argument was had before me beginning on April 6, 1925, and concluding on April 11.

The provisions of the Packers and Stockyards Act which I conceive to be pertinent to this case are Title II, Section 202, subdivision (e), which reads as follows:

> It shall be unlawful for any packer to engage in any course of business or do any act for the purpose or with the effect of manipulating or controlling prices in commerce, or of creating a monopoly in the acquisition of, buying, selling, or dealing in, any article in commerce, or of restraining commerce.

Decision as to the legality of the acquisition by Armour & Company of the physical properties, business and good-will of Morris & Company involves, at the outset, consideration of the question whether such acquisition, in and of itself, constitutes a violation of the above cited provision of the Act. The purchase by one competitor of the physical properties, business and good-will of another competitor is not in express terms condemned by this statute. Since Congress is presumed to legislate with full knowledge of the subject-matter, it must be assumed, without adverting to the numerous hearings which had brought that knowledge specifically to them, that it knew of the existence of the so-called Big Five Packers and of such influence as they exercised, or were in a position to exercise, in the livestock and meat packing industry, and that [fol. 1505] it knew of the results which might flow from any acquisition by one packer, or one large packer, of the physical properties, business and good-will of another. With this background, it would have been very easy for Congress, when legislating to prevent evils in the packing industry, to have incorporated in its legislation a prohibition of the acquisition of the properties, business and good-will of one packer by another. The fact that it did not do

so argues that it did not intend to do so, but left open a field for the lawful and normal disposition of their properties by competitors subject to this Act. This conclusion is strengthened by the fact that in the Clayton Act the acquisition of the whole or any part of the stock or other share capital of a competitor, with the effect of substantially lessening competition, is forbidden in express terms. Manifestly, therefore, the purchase by Armour & Company of the physical properties, business and good-will of Morris & Company is not forbidden by the Act unless it be made for the purpose or with the effect of manipulating or controlling prices in the buying of livestock in commerce or in the sale and distribution of livestock products, or of creating a monopoly in the acquisition of, buying, selling, or dealing in such articles in commerce, or of restraining commerce.

The purchase by Armour & Company of the physical properties, business and good-will of Morris & Company creates no legal presumption of a purpose to accomplish the ends forbidden by the Act.

There is not in this record sufficient evidence upon which to base a conclusion that the acquisition of the physical properties, business and good-will of Morris & Company by Armour & Company was for the purpose of manipulating or controlling prices in the buying of livestock in commerce or in the sale or distribution of their products, or of creating a monopoly in the acquisition of, buying, selling, or dealing in such articles in commerce, or of restraining commerce. On the contrary, the evidence is persuasive that it was for [fol. 1506] the purpose of effecting economies in the conduct of Armour respondents' business by reducing overhead expenses and increasing the volume of sales of the finished products.

There remains, therefore, for consideration, whether this acquisition by Armour & Company has had the effect of manipulating or controlling prices in commerce, or of creating a monopoly, in the acquisition of, buying, selling, or dealing in any articles in commerce, or of restraining commerce.

The evidence in the record does not warrant the conclusion that the purchase by Armour & Company of the physical properties, business and good-will of Morris & Company has had the effect of unduly or arbitrarily lowering prices

to the shipper who sells livestock, or unduly and arbitrarily increasing the price of livestock products to the consumer who buys, or otherwise manipulating or controlling prices in commerce.

The evidence discloses that since the acquisition of Morris & Company by Armour & Company the latter has controlled less than 25 per cent of the Federal inspected slaughter and less than that controlled by Swift & Company. The undisputed evidence shows that competition on the whole in the sale of meats and meat food products in interstate commerce has not been diminished. Consequently, the acquisition has not had the effect of creating a monopoly.

The question still remains whether this acquisition has had the effect of restraining commerce. It is obvious that the elimination from business of one competitor resulting from the acquisition of his business by another competitor extinguishes competition between the two and may tend to lessen competition in that field of business, but since the decisions of the Supreme Court of the United States in the Standard Oil and Steel cases (Standard Oil Co. v. United States, 221 U. S. 1; United States v. United States Steel [fol. 1507] Corporation, 251 U. S. 417), it has been settled law that the mere lessening of competition through the acquisition of one competitor by another does not amount to an unlawful restraint of trade or commerce. While Morris & Company has been eliminated as a competitor it does not necessarily follow that competition as a whole has been thereby reduced. It may be said with very good reason that the merger has resulted in making of Armour & Company a more potential competitor of the largest existing packer, Swift & Company.

As was said in the Steel case, "the law does not make mere size an offense or the existence of unexerted power an offense," but in order that such a combination may be declared unlawful, it must be shown to have restrained trade or commerce unreasonably or unduly, or that the power thereby acquired is being used for the accomplishment of the evil which the law was aimed to prevent. In the Steel case, the control secured by the various acquisitions was about 45 per cent. In the Quaker Oats case (232 Fed. 499) the control secured by the acquisitions was approximately 60 per cent, yet the court held that this did not

constitute a violation of the Anti-Trust Laws. In its opinion in this case, the Court said:

Every purchase between two people in the same business, one buying out the other, is necessarily a lessening of competition, but as long as the property is such that the fullest opportunity for countrywide competition exists, the field being open to everybody with but small capital, there being no patent rights, there being no other hindrance to the development of individual enterprise, I fail to see anything undue, anything unreasonable, in the restriction of competition that results, although it be the largest of the several competing firms that buys out the second largest.

This language has peculiar application to the case before me.

Much evidence was introduced both by the Government and the respondents as to the effect of competition before and since the acquisition. The overwhelming weight of the testimony is in favor of the view that competition has not [fol. 1508] been materially lessened by reason thereof, either in the buying of livestock or the sale of the meat or meat products thereof. Scores of independent packers were called by the respondents and they all testified that in the handling and sale of meat and meat food products competition has been keen and active. Many large retail dealers scattered throughout the country were placed on the stand by the respondents and they testified that competition was keen and active and that no unfair practices or coercive methods had been engaged in by Armour & Company. The evidence further discloses that during the last decade both the number of independent packers of substantial size and the volume of business done by them have largely increased.

My understanding is that the cases involving the merger of competing railroad systems or the acquisition by corporations of the stock or share capital of competitors in violation of the express prohibition of Section 7 of the Clayton Act are not applicable to this case. It undoubtedly is true that the Supreme Court has distinguished between combinations of public utilities and combinations of industrials, holding combinations of the former class to be unlawful without regard to the purposes of their formation or their effect on competitive conditions generally. While the Packers and Stockyards Act apparently classes stockyards as

public utilities, it has not impressed the packing business with a public use, and combinations of packers are to be treated as industrial combinations.

In the argument before me it was suggested that the lack of change in competitive conditions since the acquisition was more apparent than real, due, perhaps, to the pendency of this proceeding, and that the real effect of the acquisition on competition would appear after the disposition of this case. Without attempting to forecast the future policy of Armour & Company in the conduct of its business, it is a sufficient answer to this suggestion to say that in the [fol. 1509] event that Armour & Company violates any of the provisions of the Packers and Stockyards Act there is ample power and authority in the Secretary of Agriculture under that Act to take appropriate and effective action.

After careful consideration of the entire record and the arguments of counsel, I find and conclude that the evidence is insufficient to sustain the charges made in the complaint, and therefore this proceeding is dismissed without prejudice, and it is so ordered.

W. M. Jardine, Secretary of Agriculture.

Sep. 14, 1925.

[fol. 1510] UNITED STATES OF AMERICA:

BEFORE THE SECRETARY OF AGRICULTURE

ARMOUR AND COMPANY OF ILLINOIS, ARMOUR AND COMPANY OF DELAWARE, J. OGDEN ARMOUR, MORRIS AND COMPANY, Respondents

NOTICE AND COMPLAINT IN THE MATTER OF VIOLATIONS OF TITLE II OF THE PACKERS AND STOCKYARDS ACT, 1921

The Secretary of Agriculture, having reason to believe that the respondents herein have violated and are violating Title II of the Packers and Stockyards Act, 1921, and, it appearing that a proceeding under said Title II in respect thereto would be in the interest of the public, issues this complaint and notice stating the charges in that respect as follows:

1. That the respondent, Armour and Company of Illinois, is a corporation organized April 7, 1900, under the laws of the State of Illinois, and has an authorized capital

stock of $400,000,000, of which $100,000,000 is represented by preferred stock, and $300,000,000 by common stock. Of its total authorized stock there is now issued and outstanding $50,673,400 of preferred stock and $50,000,000 each of class A and class B of common stock, or a total of $150,673,400 of both common and preferred stock. In addition thereto, the said respondent, Armour and Company, has outstanding gold bonds, notes and debentures amounting approximately to $115,000,000. That said respondent has been for many years and is now engaged in the business of buying live stock in interstate commerce for the purposes of slaughter and of manufacturing or of preparing meats and meat food products for sale or shipment in interstate and foreign commerce, and is a packer as defined in Title II of said Packers and Stockyards Act. That said respondent owns and operates sixteen large packing plants located in various cities and states of the United States, the principal ones being located in middle western states; that it operates 332 branch houses located in the principal cities in various states for the distribution of its products. That said respondent purchases live stock at various points in the United States from producers and at its plants converts such live stock into the finished products, which it sells through its branch houses to dealers in meats and meat products in various states and in foreign countries. That said respondent, Armour and Company of Illinois, in volume of business is the second of the five largest meat packers in the United States engaged in the business of buying live stock and selling and distributing the products thereof in interstate and foreign commerce.

[fol. 1511] 2. Armour and Company of Delaware is a corporation organized under the laws of the State of Delaware in the latter part of 1922, and is authorized to issue $100,000,000 of 7 per cent guaranteed preferred stock, $60,000,000 of common stock, and $50,000,000 of first mortgage bonds; that said respondent has issued, or intends to issue at once, all of said mortgage bonds, all of said common stock, and $60,000,000 of said $100,000,000 preferred stock; and that said respondent was organized to acquire from Armour and Company of Illinois certain of its properties and assets. These properties and assets include the fully equipped packing houses of the Fowler Packing Company at Kansas City; the Hammond Packing Company at St.

Joseph, Missouri; the New York Butchers Dressed Meat Company at New York City; the Anglo-American Provision Company at Chicago; and also the Armour packing houses at Denver, Colorado, Fort Worth, Texas, Jacksonville, Florida, Indianapolis, Indiana, and Jersey City, New Jersey; the storage plant of the North American Provision Company at Chicago; the East St. Louis Cotton Oil Refinery at East St. Louis, Illinois, and various other auxiliary plants, including the soap works, glue works, sandpaper works, curled hair works and ammonia works; also the properties of the Armour Fertilizer Works and its subsidiaries, including twenty-one manufacturing plants and two large warehouses; the Compania Armour de Cuba, with its large distribution plant in Havana; the entire South American investments, including the modern packing houses at Sao Paulo and Santa Anna, Brazil, at La Plata and Santa Cruz in Argentina, and a half interest in La Blanca Company at Buenos Aires, with various other properties throughout the United States, and numerous enterprises closely affiliated with the packing and live stock industries. That all of the common stock of Armour and Company of Delaware is to be or has become the property of Armour and Company of Illinois, and about $110,000,000 of the proceeds arising from the sale of its bonds and preferred stock is to be or has been received by Armour and Company of Illinois and used by it for the retirement of certain of said company's outstanding obligations and for its other corporate purposes. That said respondent, Armour and Company of Delaware is a subsidiary of Armour and Company of Illinois, and was created for and is organized to engage in the business of buying live stock in interstate commerce for purposes of slaughter and of manufacturing and preparing meats and meat food products for sale and shipment in interstate and foreign commerce, and is a packer as defined in Title II of said Packers and Stockyards Act.

3. That the respondent, J. Ogden Armour, owns and controls a substantial part of the voting power and directs the business policies of the respondents, Armour and Company of Illinois and Armour and Company of Delaware, and is the chairman of the board of directors of each of said respondent corporations.

4. That the respondent, Morris and Company, is a corporation organized October 16, 1903, under the laws of the State of Maine and has an authorized and outstanding capital stock of $40,000,000, of which $30,000,000 is common stock and $10,000,000 is 7 per cent cumulative preferred stock. In addition, it has outstanding gold bonds and notes amounting approximately to $32,000,000. That said corporation has been for a long time and is now engaged in the business of buying live stock in interstate commerce for [fol. 1512] purposes of slaughter and of manufacturing and preparing meats and meat food products for sale and shipment in interstate and foreign commerce, and is a packer as defined in Title II of said Packers and Stockyards Act. That it owns and operates seven large packing houses located in various states of the United States, and 164 branch houses or distributing stations located in various states of the United States. Many of these packing plants and branch houses or distributing stations are located in cities and states where the respondents, Armour and Company of Illinois and Delaware, also have packing plants and branch houses. That said Morris and Company purchases live stock from producers at various points in many states in competition with Armour and Company and at its various plants converts such live stock into finished products and sells such products through its branch houses to dealers in meats and meat products in many states of the United States and in foreign countries in competition with Armour and Company. That Morris and Company in volume of business is the third of the five largest meat packers in the United States engaged in the business of buying live stock and selling and distributing the products thereof in interstate and foreign commerce.

5. That the respondents, Armour and Company and Morris and Company, separately operate slaughtering plants at the following large live stock markets: Chicago, Illinois; Kansas City, Missouri; National Stock Yards, Illinois; Omaha, Nebraska; South St. Joseph, Missouri; and New York, New York, at which markets from July 1, 1918, to June 30, 1922, were slaughtered 48.3 per cent of all animals slaughtered under Federal inspection in the United States. That for these years the combined slaughter of Armour and Company of Illinois and Morris and Company in said markets was 42.0 per cent of all cattle, 43.5 per cent

of all calves, 38.1 per cent of all sheep, and 41.0 per cent of all hogs, or 40.5 per cent of all animals, slaughtered under Federal inspection at these markets. That at National Stock Yards, Illinois, Armour and Company of Illinois and Morris and Company together slaughtered during said period 62.9 per cent of all the cattle slaughtered under Federal inspection at that market; and at South St. Joseph, Missouri, 56.5 per cent thereof; at Chicago 55.2 per cent of all the calves slaughtered under Federal inspection at said market; at National Stock Yards, 65.3 per cent thereof; at South St. Joseph, 61.6 per cent thereof; at National Stock Yards 67.3 per cent of all sheep slaughtered under Federal inspection at that market; at Kansas City, at National Stock Yards, Illinois, and at South St. Joseph they slaughtered for the same period, respectively, 52.6 per cent, 54.4 per cent, and 52.6 per cent of all of the hogs slaughtered under Federal inspection at those markets.

6. That since October 16, 1903, Armour and Company of Illinois and Morris and Company have separately, actively, and extensively engaged in the business of buying live stock at competitive points, slaughtering and converting the same into finished meat products and the by-products thereof, and have shipped to and sold at competitive points said meat products and by-products in many states of the United States and in foreign countries. That since said date said respondents have had the potential capacity to compete and naturally and normally should have competed one with the other, with respect to making daily the prices which are [fol. 1513] paid to producers for their live stock and the prices which are paid by dealers for meats and other live stock products; the quality of such products which were placed upon the market; and the character of the service rendered in the purchase, sale and distribution thereof.

7. That, at the time of its creation in 1900, Armour and Company of Illinois had outstanding capital stock in the amount of $20,000,000 and a surplus of approximately $13,000,000, and has since attained its present greatly enhanced size and dominating influence not solely by natural and normal business development, but largely by purchase and otherwise from individuals, firms and corporations of the ownership or control of many meat packing plants and other facilities connected with the slaughtering of live stock

or the distribution of meats and other live stock products, which plants and facilities were operated in competition with the said respondent, including the following:

In 1902 the Omaha Packing Company, the Hammond Packing Company, and the G. H. Hammond Company, all of which were merged into the National Packing Company, of which Armour and Company of Illinois owned or controlled 40 per cent of the capital stock; in 1904 the slaughtering plant of Thomas M. Lipton and Company of Chicago; in 1906 the Armstrong Packing Company, Dallas, Texas; in 1911 a practically controlling interest in the Pittsburgh Provision and Packing Company, Pittsburgh, Pennsylvania; in 1912 it acquired from the National Packing Company the Fowler Packing Company at Kansas City, the Detroit Beef Company, the German-American Provision Company at Chicago, Friedman Manufacturing Company at Chicago, the Colorado Packing and Provision Company, Denver, Colorado; Hammond Packing Company, South St. Joseph, Missouri; New York Butchers Dressed Meat Company, New York, and Ruddy Brothers, Kansas City; in 1915, Cortland Beef Company, Cortland, New York; in 1916, the Wabash Packing Company at Indianapolis, Indiana; in 1917, E. H. Stanton Packing Company, Spokane, Washington; and in 1918, Tifton Packing Company, Tifton, Georgia.

8. That on the 30th day of December, 1922, J. Ogden Armour, acting for himself and in behalf of either or both Armour and Company of Illinois and Armour and Company of Delaware, entered into a written contract or contracts with Morris and Company to acquire all of the assets of Morris and Company, including its business, patents and good will, together with all the interest of Morris and Company in the capital stock, business and properties of other companies engaged in the meat packing and related business as set forth in said contract or contracts and the schedule or schedules thereto annexed. That Morris and Company is to receive under the terms of said contract or contracts for its said assets approximately $10,000,000 in cash; $10,000,000 in preferred stock; and $10,000,000 in common stock of Armour and Company of Illinois or Armour and Company of Delaware; and said transfer is to be made subject to the liabilities and commitments which the purchaser

is to assume and pay as contemplated and provided in said contract or contracts. That transfer of said properties and business of Morris and Company is to be made on or before February 28, 1923. That by virtue of said contract or contracts, Morris and Company is to be entirely eliminated as a competitor of the other respondents in the buying of live [fol. 1514] stock in various states of the United States and in the sale and distribution of the products thereof in various states of the United States and in foreign countries. That said contract or contracts are by reference made a part hereof.

9. That the acquisition of said assets and business of Morris and Company by the respondents, J. Ogden Armour and Armour and Company of Illinois or Armour and Company of Delaware, on the one hand, and the acquisition of the stock of Armour and Company of Illinois or of Delaware by Morris and Company, on the other hand, as provided for in said contract or contracts, has the tendency or effect of restraining interstate commerce or of creating a monopoly in many sections and communities in various states of the United States in the purchase of live stock and in the shipment and sale of meat and other live stock products in many sections and communities in various states of the United States and in foreign countries.

10. That in the making of said contract or contracts or the carrying out thereof, the respondents, J. Ogden Armour and Armour and Company of Illinois or Armour and Company of Delaware are engaged in a course of business and have done an act for the purpose or with the effect of manipulating or controlling prices in the buying of live stock and the sale and distribution of the products thereof in interstate and foreign commerce and for the purpose or with the effect of restraining interstate and foreign commerce or of creating or tending to create a monopoly therein.

11. That by the acquisition by Armour and Company of Illinois or Armour and Company of Delaware of the assets and business of Morris and Company, including the stock or share capital or business of other corporations owned in whole or in part by Morris and Company, the names of which corporations are contained in said contract or con-

tracts and the schedule or schedules annexed thereto, and the acquisition by Morris and Company as set forth in this complaint of the stock or share capital of Armour and Company of Illinois or Delaware, the respondents have combined, arranged and agreed to eliminate entirely the respondent Morris and Company as a competitor of the other respondents and to materially increase the power of the other respondents to control and dominate the live stock and meat packing industry in the United States and foreign countries, thereby restraining interstate commerce in many sections and communities in the United States and foreign countries in the purchase of live stock and the sale of live stock products, or tending to create a monopoly in interstate and foreign commerce in the buying of live stock and the sale and distribution of the products thereof in the United States and foreign countries.

Therefore, notice is hereby given you and each of you, the said respondents, that the charges of this complaint will be heard by the Secretary of Agriculture, or his duly authorized representative, beginning at his office in the city of Washington, D. C., at ten o'clock A. M., the second day [fol. 1515] of April, 1923, or as soon thereafter as the parties may be heard, and continuing at the same or other places from time to time until said hearing is completed; in which hearing you and each of you will have the right to appear and show cause why an order should not be made by the Secretary of Agriculture, requiring you and each of you to cease and desist from violating Title II of the Packers and Stockyards Act, 1921, with respect to the transactions between or among the respondents as set forth in this complaint. You are further notified that on or before said date of hearing you and each of you may file an answer to this complaint.

In witness whereof the Secretary of Agriculture has caused this complaint to be issued and has signed the same and caused the official seal of the I partment of Agriculture to be affixed hereto in the District of Columbia, this 17th day of February, 1923.

Henry C. Wallace, Secretary of Agriculture.

[fol. 1516] PETITIONER'S EX. 158

Exhibit B

IN THE SUPREME COURT OF THE DISTRICT OF COLUMBIA

In Equity. No. 37623

UNITED STATES OF AMERICA, Petitioner,

v.

SWIFT AND COMPANY, ARMOUR AND COMPANY, MORRIS AND COMPANY, Wilson and Company, and Cudahy Packing Company, et al., Respondents

To the Honourable Justices of the Supreme Court of the District of Columbia:

The undersigned, George Sutherland and Henry W. Anderson, who were appointed trustees under the plan for deposit of the stock of the Swift and Armour interests in certain stockyards, as more fully set forth in said plan approved by decree entered in the above entitled cause on April 12, 1921, beg leave to submit the following report:

First. The provisions of said plan with respect to the appointment and duties of the individual trustees in so far as pertinent to the matters herein reported, are as follows:

[fol. 1517] "Upon the approval of this plan by the Court, these defendants wil execute and deliver to Henry W. Anderson, of Richmond, Virginia, and George Sutherland, of Salt Lake City, Utah, as trustees, powers of attorney, irrevocable during the time this plan remains in effect, authorizing said trustees jointly to vote all of the stock of said defendants in said last mentioned stockyard companies and stockyard terminal railroad companies, or such portion thereof as from time to time shall remain unsold pursuant to this plan.

"Said individual trustees shall be charged with the duty of acquainting themselves with the conduct and operation of said stockyard companies and stockyard terminal railroads, but shall not vote said stock so as to interfere with the management and conduct of said public stockyard mar-

ket companies or the stockyards operated by them, or said stockyard terminal railroads, unless both of said trustees shall be of the opinion that said stockyards or stockyard terminal railroads, or some of them, are being used in violation of the anti-trust laws of the United States, or the decree herein.

"In case said trustees shall disagree as to the voting of said stock, they, or either of them, or the petitioner, or the defendants, may apply to the Court for an order directing how said stock shall be voted, with the right of either party hereto to be heard and to except to the order of the Court and to appeal therefrom.

"It shall be the duty of said trustees to keep themselves informed as to the progress made in the sale of the stock in accordance with this plan and report the same to the Court as and when directed by it, or upon their own initiative, and with such recommendations and suggestions as they may deem proper."

Second. That in pursuance of the provisions of the said plan, the corporations and individuals constituting the Swift and Armour groups of the defendants during the latter part of April, 1921 and the early part of May, 1921, executed and delivered to your trustees powers of attorney to vote said stock in the respective stockyards mentioned and described in said plan, in the amounts therein stated, [fol. 1518] under here and pursuant to the terms and provisions thereof. Your trustees are advised that on May 12, 1921, the said corporations and individuals composing said Swift and Armour groups of defendants deposited with the Illinois Trust and Savings Bank as depository, certificates of stock duly endorsed in blank, representing their respective shares of stock in the various stockyards mentioned in said plan, or where such certificates of stock were pledged as collateral they deposited an order from the pledgees to exchange said certificates upon negotiable receipts from said depository, as provided in the plan. This deposit was made under escrow agreement, and copies of the said agreement and other papers in connection therewith were furnished to your trustees, and your trustees are advised the same were also filed in the record in the above entitled cause.

Third. The provisions of said plan for deposit of said stocks and vesting the voting power thereof in your trustees having thus been carried out by the defendants named, your trustees proceeded as rapidly as practicable to familiarize themselves with the conditions surrounding the discharge of the duties imposed upon them by the provisions of said plan quoted above. After due consideration and a study of such portions of the record in the above entitled cause as bore upon the performance of their duties as trustees under said plan, they determined that it would be wise for them to visit personally a number of the stockyards the stocks of which were deposited under said plan, and to familiarize by personal investigation of the condi-
[fol. 1519] tions surrounding said yards and the operations thereof, and to secure by interview with persons conducting business in said stockyards such information as would enable them to discharge intelligently the duties imposed. With this object in view, your trustees left Washington on the 22nd day of May, 1921, accompanied by Herman J. Galloway, Esquire, Special Assistant to the Attorney General representing the Department of Justice of the United States in this litigation. Arriving at Chicago on May 23, 1921, your trustees, together with Mr. Galloway, spent the days of May 23 and 24 in conference with the officers of Armour and Company and Swift and Company and other defendants constituting the Armour and Swift groups of defendants, with a view to familiarizing themselves as far as practicable with the general conditions and methods of operation prevailing at the various stockyards, the stocks of which were deposited as aforesaid.

As a result of these conferences, arrangements were perfected for your trustees, accompanied by Mr. Galloway and a competent stenographer, to visit the more important stockyards, inspect the same personally, and hold hearings at which it was proposed to secure information from various interests concerned as to the methods of operation prevailing at said yards, and the general conditions surrounding the same. Arrangements were also made to give notice at each of the points at which said stockyards proposed to be visited were located, of the proposed visit of
[fol. 1520] your trustees and the purposes thereof, by notices posted at the stockyards and published in the local press, and by such notices to invite all persons interested

in the stockyards, or doing business therein, or in any manner, interested in any question affecting the duties of your trustees under said plan, as well as the leading citizens of said districts to meet with your trustees at said stockyards and give them any information which would enable them intelligently to discharge the duties imposed upon them by said decree.

These arrangements having been perfected, your trustees, accompanied by Mr. Galloway as aforesaid, and by a representative of the defendants, arranged a schedule for a visit to the principal yards the stocks of which were deposited under said plan, so that they could spend at least one day at each of said yards. The yards visited and inspected, and the dates of said visits were as follows:

St. Paul Union Stockyards, St. Paul, Minn.....	Wed.	May 25, 1921
Sioux City Stockyards, Sioux City, Iowa.....	Thurs.	May 26, 1921
Union Stockyards Co. of Omaha, Ltd., Omaha, Nebraska	Fri.	May 27, 1921
Denver Union Stockyards, Denver, Colo.....	Sat.	May 28, 1921
Kansas City Stockyards, Kansas City, Mo.....	Mon.	May 30, 1921
St. Louis National Stockyards, East St. Louis Illinois.	Tues.	May 31, 1921

Having completed this itinerary and inspection of said yards and holding hearings at each as hereinafter stated, your trustees returned to Chicago from East St. Louis and spent Wednesday, June 1, 1921, in conference with the [fol. 1521] representatives of the Swift and Armour groups of defendants, at which the results of the inspections and hearings aforesaid were discussed and suggestions submitted based thereon, as well as certain suggestions with respect to the sale of the stocks of the Swift and Armour groups of defendants deposited under said plan.

Your trustees have not visited personally the remaining yards mentioned in said plan, as these yards are all comparatively small, and the amounts of stocks held by the Swift and Armour groups of defendants therein not large. Your trustees have, however, inquired into the methods of operation prevailing at the yards not visited, and have obtained written reports as to a number of said yards covering substantially the grounds covered by the hearings at the yards visited, and they are informed that the conditions and methods of operation prevailing at these smaller yards not visited or inspected, are substantially the same as those prevailing at the yards which your

trustees visited as aforesaid. Your trustees have not, therefore, deemed it necessary to make a personal visit to those yards.

Since the inspection of and the hearings at the yards mentioned, your trustees have endeavored to keep themselves informed in accordance with the provisions of said plan with the conditions and methods of operation at said yards, and all other matters affecting their duties under said plan. They have held conferences from time to time with the representatives of Swift and Armour groups of defendants, and by correspondence and otherwise have [fol. 1522] kept in touch with the situation, to the end that they might be in a position at any time to inform the court of any matters as to which it might desire information from them within the scope of their duties under said plan.

The general results of the investigations and conferences aforesaid will be summarized below under appropriate headings.

I

The Conduct and Operation of said Stockyard Companies and Stockyard Terminal Railroads

The stockyards visited and inspected by your trustees as aforesaid were all constructed and operated on the same general plan, subject to such minor changes in detail as were made necessary by physical and local conditions, and your trustees are advised that the same general conditions and methods of operation prevailed at those yards not actually visited. In general the stockyards consist of a series of pens of varying size, adapted to the requirements of the business, divided into sections by alleys or driveways, through which the cattle are driven to and from the pens, such alleys or driveways being equipped with suitable gates for cutting out and directing the movements of the cattle. The partitions and gates are constructed of wood or planking. A few of the pens in some of the yards are still unpaved, but the large majority of the pens as well as the driveways are paved with either brick or concrete, the [fol. 1523] present tendency being to provide concrete pavements which insure greater permanency and better sanitary conditions.

The yards are divided into sections for the accommodation of horses and mules, cattle, hogs and sheep in varying

proportions, to meet the requirements of the several markets. The cattle pens are generally single deck and uncovered, while the sheep and hog pens are generally of concrete, double deck construction, with incline planes for driving from one level to another. Where the horse and mule markets are large as in Kansas City and East St. Louis, proper stable facilities with auction houses are provided. All of the yards are provided with facilities for feed distribution, generally by overhead galleries, with running water in the pens. The unloading railroad tracks are located at one side of the yard and connected therewith by unloading platforms and chutes of wood or concrete, through which the animals are driven from the cars into unloading pens, and thus distributed throughout the yard. Wood or concrete runways extend from the yards to the various adjoining packing plants and reloading facilities are provided for the reshipment of cattle not slaughtered at the local plants. The modern tendency in all yards is toward reinforced concrete construction.

Adjoining the stockyards in each instance is an administration building owned by the company. In this building are located the operating offices of the stockyard and terminal railroad companies, and facilities are provided for the accommodation of shippers, dealers and others doing business in the yards. In addition to the offices and services of the stockyard company, offices are provided and rented in the adminstration building to a stockyard bank, and a newspaper, as well as commission men, traders and speculators doing business on the yards. In connection with some of the larger yards an hotel is provided for stock raisers and others who visit the yard on business. The hotel building is owned by the stockyard company, but is operated under lease entirely separate from the stockyards themselves.

[fol. 1524]

The handling of cattle upon and through said yards is conducted substantially as follows:

By arrangement with the various railroad companies, telegraphic notice is given in advance of cattle in transit to the yards, and these notices are posted upon a bulletin board in the administration building, showing the commission men or others to whom said cattle are consigned and the probable time of arrival. On arrival of these cattle trains at point of destination, the cars are delivered to the

terminal railroad company which maintains a connection with the various railway lines and operates the tracks into the yards. The cars are then moved by the terminal railroad to the unloading chutes and the cattle are unloaded by the stockyard company into unloading pens and driven into the alleyways or driveways where they are delivered to the [fol. 1525] commission men or others to whom they are consigned, and taken to the pens of such commission men or consignee. The commission men then get in touch with the various buyers operating upon the yard and offer these cattle to the buyers, the price being negotiated with the various buyers. The purchaser may be a representative of the packing house operating plants near the yards, an order buyer buying on order from other and distant plants, a trader purchasing for the purpose of stocking and feeding cattle in the territory contiguous to the yards, or a speculator who buys on the yards, feeds the cattle, sorts them and then resells them either to stockers or traders or packers at the best price obtainable. The cattle are fed and watered immediately upon their arrival, and any crippled animals are cut out and taken to special pens where they are treated.

When a sale has been effected, the cattle are driven to the scale houses and weighed and delivered to the purchaser upon passing from the scales after weighing. They are then driven to the packing houses if purchased by packers, or to the pens of the stocker, feeder or speculator, or, if intended for reshipment, to the reloading pens.

In some states the yards are under control of state public utility commission, as in Minnesota and Missouri. In such cases the handling of the cattle and the feeding and weighing is supervised by representatives of such commission. [fol. 1526] The cattle are inspected by representatives of the United States Government on their arrival in order to eliminate diseased cattle or others unfit for the markets. Further details as to the various matters involved in the conduct of the yards and the management thereof will be given below with reference to the testimony in the record of the hearings held by your trustees bearing specifically thereon.

For full and detailed information as to the organization, conduct and operation of said stockyards, the court is referred to the following testimony and exhibits filed as a part thereof:

St. Paul Yards

T. E. Goode ..... Record pps. 2 to 13
R. J. Wells ..... " " 14 to 36

Sioux City Yards

R. L. Eaton ..... Record pps. 108 to 149

Omaha Yards

E. Buckingham ..... Record pps. 205 to 233

Denver Yards

J. A. Shoemaker ..... Record pps. 301 to 337

St. Joseph Yards

J. O. Barkley ..... Record pps. 399 to 424

Kansas City Yards

George R. Collett ..... Record pps. 425 to 428

East St. Louis Yards

E. F. Bisbee ..... Record pps. 430 to 464

[fol. 1527] The following subjects of special inquiry may be specifically mentioned for the information of the court:

(1) Terminal Railroads

Terminal railroads exist in connection with the stockyards at all yards visited by your trustees and, as your trustees are advised, at other yards not so visited. These terminal railroads are owned and operated by a corporation which is separate from the stockyard company, but the stock of which is owned by the stockyards company. In some instances the terminal railroad companies own their own locomotives and equipment for moving trains, while in other instances they own no equipment, but simply own the tracks and railroad facilities upon which the trains are moved with the equipment of the railroads connecting therewith.

The terminal railroads are connected with the main transportation lines reaching the point at which the stockyards are located and upon which stock is hauled to and from the yards. The railroad companies deliver the shipments in cars to the terminal railroad, which in turn moves these shipments to the unloading yards and receives cars from the connecting railroads and places them at the reloading pens for the handling of such cattle as may be reshipped. These railroads also handle cattle which may be unloaded fed and watered at the yards while in transit from and to other points.

[fol. 1528] These terminal railroads are under the supervision of the Interstate Commerce Commission and of the state public utility commissions within the limits of their jurisdiction. Their rates are on file with the Interstate Commerce Commission. The details as to the ownership and operation of these terminal railroads are given in the evidence of the various managers of the yards cited above and the exhibits filed therewith. The Court is referred especially to the following pages of Volume I of the Record as bearing upon this subject: Pps. 6, 7, 130, 212, 307, 414 and 446.

(2) Assignment of Space in the Yards

Your trustees made special inquiry into the methods followed in assigning pens or space to the various commission men, traders and speculators who operated in the yards. This inquiry was especially directed to the question as to whether there was any discrimination in this regard. It appears that no charge is made by the stockyards company for the use of the pens by the commission men, traders and speculators. The pens are assigned to the various commission men in one section of the yard, to traders in another section and to speculators in another section, the object being to arrange these assignments in such way as best to promote the convenience and expeditious handling of the cattle in the yards, and to avoid movements in different directions. The amount of space assigned to each of the commission men, traders and specu-

[fol. 1529] lators is based generally upon the amount of business done the preceding year. These assignments of space are readjusted from time to time to meet the changes in the development of the business of the various commis-

sion men, traders and speculators. If a new buyer enters the yard he is given the best available space, the amount thereof being based upon his probable business, and thereafter adjusted in accordance with experience. While each of the commission men, traders, and speculators naturally desire to secure the best location possible in the yard, we found no evidence of discrimination in the assignment of pens, and there was no testimony that this phase of the business was not handled with fairness and justice to all concerned.

For detailed evidence on this subject, the court is referred to the following pages of Vol. I of the Record: Pps. 10, 138, 225, 231.

(3) Weighing

As stated above, after a sale of cattle is effected, they are driven on to the scales and weighed. These scales are constantly checked and tested in order to maintain their accuracy, and weighing tickets are furnished to the commission men, the purchaser, and a record is kept by the company. In some instances, as in St. Paul the weighing is under the supervision of the state utilities commission. Your trustees were unable to find any ground for com- [fol. 1530] plaint as to the conduct of the weighing operation, and there was no suggestion that it was not fairly and justly done. For details as to weighing, the court is referred to the testimony of the managers of the yards cited above, and specifically to the following pages of the evidence: Pps. 12, 14, 16, 34.

(4) Charges and Revenues

The revenues of the stockyards are derived from three sources—(a) a charge of $1.00 per car for unloading cattle, which is paid by the transportation companies and absorbed in the rate; (b) the sale of feed for the cattle while in the yards; and (c) a yardage charge upon all cattle handled upon the yards.

The first charge is fixed by agreement with the transportation companies. The yardage charge is fixed by the stockyard companies except where the yard is subject to the jurisdiction of the public utility commission of the

state, as in St. Paul, when such charges are under the control of such commissions. The charge is substantially the same in all yards, since any material variation would lead to a discrimination against the yards having higher charges.

The feed charges will be discussed below. They are regulated by the prevailing market prices for hay, corn and other feed. In the St. Paul yards the public utility commission of Minnesota has undertaken to fix the price for [fol. 1531] feed to be charged by the yards, and the matter is still in litigation.

Your trustees found no objection to or criticism of the stockyard charges for the services rendered except in the matter of charges for feed, as to which there was some complaint with the various yards. Since no charge is made for the use of the yards by the commission men, trades and speculators, it is necessary in order to provide adequate revenue that the stockyard companies should charge a profit upon the feed used for cattle while in the yards, and this charge, as well as the yardage charge, is of course charged back against the producer or shipper of the cattle. Since the farmers who are also stock raisers produce and sell the feed, the difference in the price realized by them for their feed on the market and the price charged to them for feed given their cattle in the yards is a subject of some complaint. This might possibly be relieved to some extent by making a rental charge for the pens and reducing to a corresponding degree the profit on feed, but the result to the shipper of cattle would be the same, and this would necessarily involve a complete readjustment of present charges which have grown up as a result of experience, and with which the public are familiar. With the exception of some complaints as to the feed charges, and in a few instances as to the character of the feed furnished, which latter complaints the witnesses testified were always adjusted by the stockyards companies upon proper showing, your trustees found no serious objections as to the present [fol. 1532] charges of the stockyards companies. Since the enactment of Congress of the "Packers and Stockyards Control Act of 1921" these matters of detail administration seem to be under the control of the Secretary of Agriculture, where relief can no doubt be obtained if just ground be shown therefor. For details of the evi-

dence on this subject, the court is referred to the following pages of the record: Pps. 11, 12, 16, 21, 55, 60, 86, 133, 159, 191, 221, 264, 367, 384, 468, 486, 492.

(4) Rendering Plants

At each of the stockyards there is operated a rendering plant where dead animals and others not fit for marketing are converted into grease and other commercial products. Your trustees were advised that there had been some complaint of the limitation of this business to one company at each yard, and they directed their inquiries to this subject to find out if there was anything in this method of conduct of the business contrary to the law or to the decree of this court. The evidence showed that in no instance was the rendering plant controlled by the stockyard company, and in fact your trustee found no instance in which the stockyard company had any interest in the company operating the rendering plant. Your trustee found, however, that it was the practice in all of these yards to limit this business to one company. It was claimed that this course was necessary in order to insure efficient operation of this busi- [fol. 1533] ness and to give to the stockyard company some responsible agency to which it could look for the prompt removal of dead animals, which was essential to the sanitary condition of the yards. The reasons given for this method of conducting this branch of the business seemed to your trustees to be substantial and adequate, and they found nothing in the dealings between the stockyard companies and the rendering plants which they deemed a violation of the Anti-Trust Laws of the United States, or of the decree of this court.

For the details of the evidence on this subject, the court is referred to the following pages of the record: Pps. 134, 136, 223, 332, 423, 460.

(5) Stockyard Bank

There is maintained and operated at the administration or exchange building at each of the stockyards visited, and as your trustees are advised at the other company yards also, a stockyard bank. This institution leases its quarters in the administration building from the stockyards company, but in no instance did the testimony show that the

stockyards company was in any wise interested in the stock of the bank, or had any control over the operation thereof. This bank is conducted by a separate corporation in each case for the convenience of stock raisers, commission men, traders and others doing business upon the yards, and for making loans upon cattle. Your trustees could find noth- [fol. 1534] ing in the relation between these banks and the stockyard companies in violation of the Anti-Trust Laws of the United States or of the decree in this cause. The officers of these banks testified in a number of instances before your trustees at the hearings. The court is referred for further details to the testimony pps. 137 and 229, as well as to the evidence of the managers of the stockyards above cited.

(6) Stockyard Newspapers

At each of the stockyards there is operated a newspaper published for the information of those interested in the cattle business and circulating generally in the territory served by these yards. This newspaper in each instance is conducted in the administration or exchange building owned by the stockyards company, leasing its offices and quarters therein from the stockyard companies. While it appeared that in some instances in the past the stockyards company had been interested in the newspaper, the testimony was that such interest where it had existed had now been disposed of, and these newspapers are now owned by individuals or separate companies not connected with the stockyards companies in any way, and the stockyards companies have no interest therein. The testimony was that the stockyard companies did not in any way control or influence the policy or operation of these papers. In a number of instances the owners or managers of these papers testified at the hearings. For further information [fol. 1535] on the subject, the court is referred to the following pages of the record: Pps. 137, 151, 230, 285, 335, 496.

(7) The Packing Plants

Adjoining each of the stockyards visited by your trustees are located a number of packing plants, cattle for the operation of which are purchased upon the yards. In some

instances these packing plants are located upon land owned by the stockyards company. . These packing houses constitute the principal buyers for cattle upon the local yards.

While the larger packing companies maintain packing houses at nearly all of these yards, and some of them have packing houses at every yard, there are also operated near to or within the territory served by these yards a number of so-called independent packing plants. Your trustees directed their inquiry at each yard to the question as to whether there was any discrimination by the stockyard companies against such independent plants, either in leasing land upon which to locate said plants, or in any other manner. The testimony both of the officers of the stockyard companies and of the managers or owners of such independent plants was unanimously to the effect that no such discrimination existed, and that the stockyard companies did everything in their power to encourage the location of plants at or near their yards, with a view to the [fol. 1536] development of their markets and resulting increase in their business. For further details on this subject, the court is referred to the testimony in the record at the following pages: Pps. 261, 271, 282, 298, 313, 309, 395.

(8) Ownership of Stock by Large Packers and Effect on Competition Among Buyers on the Yards

Your trustees directed an inquiry at each place to the question of the effect if any of the ownership by the large packing companies of stock in the stockyard companies upon the operations of the market, and especially upon competition between buyers upon the yards, with a view to carrying out the instruction of the decree, to ascertain if there was in the management of the stockyard companies any violation of the Anti-Trust Laws of the United States, or of the decree of this court.

The general testimony of the managers of the yards, commission men, traders, speculators, stock raisers and other persons examined by your trustees was to the effect that the ownership of stock in the stockyard companies did not and could not affect the competition among buyers on the yards, or the price of cattle sold therein; that the sole function of the stockyards was to provide a market place for the cattle, and to take care of them while they were on

the market until they were delivered to the purchaser, that the buyers, consisting of the representatives of packing houses, independent traders and speculators were in no way under the control of the stockyard companies, except [fol. 1537] that they were all required to conform to the police regulations for the conduct of the yards, and to conduct their business in accordance with the proper standards of business ethics or integrity. In some instances the opinion of witnesses was expressed to the effect that there was no real competition between the larger packers, because the bids of each of the buyers were controlled by the same market conditions with which all were familiar, but the testimony was generally to the effect that there was competition in buying upon the yards, not only as between buyers for the packers, but between buyers for the packers and traders and speculators, and there was no evidence or suggestion of any unlawful combination as between the packers in this regard. It was generally conceded that the ownership of the stock in the stockyards companies had no bearing upon the question of competition between the buyers, and did not result in any discrimination by the companies in favour of the packers. There were witnesses who expressed the opinion that it was contrary to the interests of the cattle trade, and especially the cattle growers to have the stockyards controlled by the packers, their view being that they should either be controlled by the government or independent owners, but the large preponderance of the evidence was to the effect that the control of the stockyards by the large packers who were interested in maintaining a good market place which would attract shipments to these markets, and who were also interested in the efficient management of the yards and the proper handling [fol. 1538] of the cattle which they were to purchase and slaughter, was in the interest of the market and of the cattle trade generally. The view of those opposed to the ownership of stock by the packers will be found set forth in the testimony of E. L. Burke, p. 253, A. E. DeRichols, p. 373 and T. W. Tomlinson, p. 385, while the views of those of the opposite opinion will be found scattered throughout the evidence referred to below.

The evidence of those opposed to the ownership of stock in the stockyards by the packers as a matter of policy

failed, however, to disclose any facts showing that the ownership of such stock was used to give to the packers any advantage as buyers upon said yards, and the overwhelming evidence of all classes of witnesses who appeared before your trustees was to the contrary.

For details of this subject, with the views of the various witnesses who testified with relation thereto, the court is referred to the following pages of the testimony: Pps. 22, 26, 42, 58, 69, 92, 94, 140, 144, 148, 154, 161, 165, 167, 185, 200, 202, 239, 240, 244, 248, 255, 268, 269, 279, 287, 296, 342, 347, 348, 351, 353, 360, 367, 374, 386, 388, 391, 458, 472, 475, 490, 499, 502.

(9) The Management of the Yards

The provisions of the plan under which your trustees were appointed requiring them so to vote the stock of the [fol. 1539] Swift and Armour groups of defendants in the yards mentioned in said plan as not "to interfere with the management and conduct of said public stockyard market companies or the stockyards operated by them, or said stockyard terminal railroad, unless both of said trustees shall be of the opinion that said stockyards or stockyard terminal railroads, or some of them, are being used in violation of the anti-trust laws of the United States, or the decree herein."

Your trustees directed their inquiries especially to the management of the yards, with a view to ascertaining if there was any violation of the Anti-Trust Laws of the United States or of said decree which would require them to vote the stock for change of management.

Nearly all of the large number of witnesses interrogated by your trustees were asked for direct statements on this subject. It was the unanimous testimony of these witnesses, regardless of their views as to the policy of the ownership of stock in the yards by the packers, that the present management of the yards visited was excellent, and they could suggest no improvement in said management. As already indicated, the only specific complaint was as to the charges for feed, and in some few cases there was objection to the feed supplied, which latter objection, however, it was admitted had been remedied when brought to

the attention of the stockyards company. Even those persons who were strongly opposed on principle to the owner-[fol. 1540] ship of stock in the stockyards companies by the packers, admitted that the management was good, and could suggest no improvement therein. After most careful investigation, your trustees were unable to discover anything in the present management of these yards which was in violation of the anti-trust laws of the United States, or of the decree of this court in this cause. For the testimony, on this subject, the court is referred to the following pages of the Record: Pps. 35, 38, 48, 54, 64, 77, 82, 87, 90, 95, 177, 152, 161, 164, 170, 187, 191, 195, 242, 254, 259, 263, 271, 277, 281, 286, 294, 341, 346, 358, 359, 364, 366, 369, 375, 380, 383, 389, 396, 419, 459, 467, 475, 482, 485, 492, 494, 498, 502.

[fol. 1541] Conclusion

Your trustees having thus acquainted themselves with the conduct and operation of said stockyard companies and stockyard terminal railroads both by personal inspection and through the evidence of representatives of every class of persons interested in the conduct of business upon said yards to the extent and in the manner aforesaid, have reached the conclusion that said stockyards and stockyard terminal railroads are not now being used in violation of the Anti-Trust Laws of the United States, or of the decree of this court entered in this cause.

II

As to the Sale of the Stock Held by the Swift & Armour Groups of Defendants in said Stockyard Companies in Accordance with said Plan

In the conferences held by your trustees with the representatives of the Swift and Armour groups of defendants in Chicago before and after the inspection of said yards as aforesaid, plans for the sale of the stock held by the Swift and Armour groups of defendants in pursuance of the plan approved by this court were discussed, and suggestions from your trustees were requested. Your trustees did not feel that they were charged with the obligation

either to sell or to suggest methods for the sale of the stock [fol. 1542] of said groups of defendants, but merely to keep themselves informed as to the progress made to that end. They did, however, submit certain suggestions as to the sale of said stocks, and especially suggested that the same be advertised for public sale, which was subsequently followed by the said Swift and Armour groups of defendants.

On the occasion of the visits of your trustees to the various stockyards as indicated above, they undertook to ascertain from bankers, representatives of the agricultural interests, traders upon said stockyards and others who might be informed on the subject, whether it would be practicable to make a sale of the stock of the several yards either to the business or financial interests or to stock raisers or others in the communities served by said yards respectively. With one exception hereinafter mentioned, the testimony of those who appeared before your trustees was generally to the effect that a sale of said stock to any of the interests mentioned, or in the communities served by said stockyards at any reasonable price under prevailing conditions would be impracticable. At the hearing at Denver, Mr. A. E. De Richols, representing the American Live Stock and Loan Company stated that this Company would buy the Denver stockyards at a fair price, and he was assured that if he could get together a syndicate of people who would buy the stock, there would be no difficulty in getting it (See Record p. 379). So far as your trustees are [fol. 1543] advised, no further steps have been taken by him or his company in this connection.

Your trustees are informed that about the month of May 1921, negotiations were opened up by Channing M. Ward, Esquire, of Richmond, Virginia, with the representatives of the Swift and Armour groups of defendants, looking to the purchase of the stock held by them in the various yards mentioned in the plan. These negotiations were continued for some months by correspondence and conference with the representatives of these groups of defendants. Mr. Ward succeeded in interesting certain large banking interests in New York in the undertaking, but after careful investigation, they advised that they would be unable to handle the matter at the present time. These negotiations

were therefore discontinued. No definite offer was made for these stocks or any part thereof.

The Swift and Armour groups of defendants having been unable to secure any definite offers of purchase of these stocks or any substantial part thereof by private negotiation, adopted the suggestion of your trustees that they should advertise the same for public offering. Your trustees are advised that the following advertisement was prepared and inserted in the various newspapers hereinafter named:

[fol. 1544] "Public Offering of Interests in Stock Yard Companies

Under the Plan for the disposition of stock yards interests, filed with and approved by The Supreme Court of the District of Columbia, the shares of stock owned by Armour and Swift groups in Public Stock Yards Market Companies are offered for sale, subject to such terms and conditions as may be agreed upon between the owners and the purchasers; and subject to the approval of The Supreme Court of the District of Columbia.

The stock is offered subject to prior sale and to the right of the owners to reject in whole or in part any or all bids.

Bids will be received up to April 1, 1922, by The Illinois Trust and Savings Bank, of Chicago, for such shares of stock as are owned by these groups in Public Stock Yards Market Companies. The stock ownership of such groups in Public Stock Yards Market Companies includes also the stock ownership in Stockyard Terminal Railways serving the respective stock yards.

Illinois Trust and Savings Bank, Chicago."

Your trustees are informed that this advertisement was inserted in the following newspapers on the dates named below, in the year 1922:

Place	Name of paper	Dates of issue (1922)
Boston	Boston News Bureau	Feb. 7, 14, 21
	Boston Financial News	"
	Boston Commercial	"
New York	Wall St. Journal	"
	Commercial & Financial Chronicle	"
Washington	Washington Times	"
	Washington Star	"
	Washington Herald	"
	Washington Post	"
[fol. 1545] Chicago	Drovers Journal	Feb. 7, 14, 21
	Journal of Commerce	"
South Omaha	Drovers Journal Stockman	"
South St. Paul	So. St. Paul Reporter	"
East St. Louis	National Live Stock Reporter	"
Denver	Record Stockman	"
South St. Joseph	Stock Yards Journal	"
Fort Worth	Live Stock Reporter	"
Sioux City	Live Stock Record	"
Kansas City	Drovers Telegram	"
Des Moines	Wallance's Farmer	Feb. 7 and 14
	Iowa Homestead	" 16 " 23
St. Paul	St. Paul Farmer	" 18 " 25
Topeka	Farmers Mail & Breeze	" 18 " 25
Chicago	Prairie Farmer	" 18 " 25
	Breeders Gazette	" 16 " 23
	Orange Judd Farmer	" 15 " Mar. 1
Fort Worth	The Cattleman	Feb. 18
Denver	The Producer	" 18

Your trustees are advised that no bids were received by the Illinois Trust and Savings Bank for any substantial amounts of the stocks of the Swift and Armour groups of defendants in the various yards mentioned in said plan in response to said advertisements, and that the effort to sell the same by public offering as stated in said advertisement has not been successful. A report from said depository showing the results of said offering is returned as an exhibit with this report.

For information as to the views and opinions of the banking and cattle interests in the territory served by the va- [fol. 1546] rious yards visited by your trustees as to the feasibility of making sale of said stocks at the present time, the court is referred to the testimony of these witnesses at the following pages of the record: Pps. 44, 48, 51, 53, 64, 66, 74, 80, 89, 98, 163, 188, 192, 196, 198, 235, 246, 249, 256, 273, 297, 338, 349, 361, 362, 371, 378, 420, 462, 471, 476, 479, 488, 500, 505.

Conclusion

Your trustees therefore report that they have kept themselves informed as to the progress made in the effort to sell the stock covered by said plan, in accordance therewith; that they are of opinion that the Swift and Armour groups of defendants have made reasonable and sincere efforts to sell said stock, and that up to the date of this report their efforts in this regard have been unsuccessful.

III

Voting the Stock under the Plan

The plan provides that the trustees shall not "vote said stock so as to interfere with the management and conduct of said public stockyard market companies or the stockyards operated by them, or said stockyard terminal railroads, unless both of said trustees shall be of the opinion that said stockyards or stockyard terminal railroads, or [fol. 1547] some of them, are being used in violation of the anti-trust laws of the United States, or the decree herein".

As largely stated, your trustees directed their investigations largely to the question of whether the stockyards or stockyard terminal railroads, or any of them, were being used in violation of the Anti-Trust Laws of the United States, or of the decree of this court in this cause, to the end that they might exercise the voting power vested in them of the stocks of the Swift and Armour groups of defendants in pursuance of the terms of said decree. Your trustees have not been able to find or to obtain any testimony to the effect that the stockyards or stockyard terminal railroads are being used in violation of the Anti-Trust Laws of the United States or of said decree, and have therefore, under the terms of the said plan, exercised said voting power for the continuance of the management as it existed when said plan was approved by this court.

Your trustees have only been called upon to vote said stock at the annual meetings of said corporations for the election of directors and the conduct of such other business as usually comes before meetings of that character in the ordinary course. In view of the fact that there was nothing to require or justify your trustees in voting the stock for any change in management under the terms of said plan

your trustees did not feel that they were called upon to incur the expense necessary to attend these formal meetings in person. They therefore executed proxies to designated [fol. 1548] persons to vote said stock at the annual meetings of said stockyard companies, which have been held in accordance with the by-laws, for the election of boards of directors of said companies as they existed at the date of the adoption of said plan, except in such cases as those who controlled the companies desired to substitute other directors, but few of which substitutions were made, and in no case has there been sufficient change in the board of any of such corporations to change the management in any respect.

In giving these proxies your trustees were careful to do so only upon condition that the stock, the voting power of which was vested in them, should not be voted to ratify any previous acts of these companies, or any of them, but simply to elect the necessary board of directors and to perform those formal acts usually incident to annual meetings.

IV

Exhibits Returned

Your trustees return herewith as a part of this report, the following exhibits:

Exhibit 1. Volume I of the testimony taken at the hearings by your trustees at the various stockyards as indicated above.

Exhibit 2. Volume II of the testimony taken at said hearings, consisting of exhibits filed with the evidence of various witnesses as indicated therein.

[fol. 1549] Exhibit 3. Written reports upon the Fort Worth stockyards and Fort Worth Belt Railway, which were filed with the trustees at their request.

Exhibit 4. Report of depositary, the Illinois Trust and Savings Bank, Chicago, of the stock of the Swift and Armour groups of defendants under said plan, showing the results of the public offering of said stocks by said depositary.

Your trustees hold themselves in readiness to furnish to the court any additional information on any point on which

the court may desire the same within the scope of their duties under the said plan, and to submit to the court upon its request any recommendations or suggestions which may be desired pertaining to the matters within the scope of their duties as prescribed by said plan.

Respectfully submitted.

(Sgd.) George Sutherland, (Sgd.) Henry W. Anderson, Trustees.

April 8, 1922.

[fol. 1550] PET. EX. 159

EXHIBIT C

IN THE SUPREME COURT OF THE DISTRICT OF COLUMBIA

In Equity. No. 37623

UNITED STATES OF AMERICA, Petitioner,

v.

SWIFT AND COMPANY, ARMOUR AND COMPANY, MORRIS AND COMPANY, Wilson and Company, and Cudahy Packing Company et al., Respondents

To the Honourable Justices of the Supreme Court of the District of Columbia:

The undersigned, Henry W. Anderson, being the sole trustee since the resignation of the Honourable George Sutherland as hereinafter stated, under the plan for deposit of the stock of the Swift and Armour interests in certain stockyards, as more fully set forth in said plan approved by decree entered in the above entitled cause on April 12, 1921, begs leave to submit the following report.

First. The provisions of said plan with respect to the appointment and duties of the individual trustees in so far as pertinent to the matters herein reported, are as follows:

"Upon the approval of this plan by the Court, these defendants will execute and deliver to Henry W. Anderson, of Richmond, Virginia, and George Sutherland, of Salt Lake City, Utah, as trustees, powers of attorney, irrevocable

during the time this plan remains in effect, authorizing said [fol. 1551] trustees jointly to vote all of the stock of said defendants in said last mentioned stockyard companies and stockyard terminal railroad companies, or such portion thereof as from time to time shall remain unsold pursuant to this plan.

"Said individual trustee shall be charged with the duty of acquainting themselves with the conduct and operation of said stockyard companies and stockyard terminal railroads, but shall not vote said stock so as to interfere with the management and conduct of said public stockyard market companies or the stockyards operated by them, or said stockyard terminal railroads, unless both of said trustees shall be of the opinion that said stockyards or stockyard terminal railroads, or some of them, are being used in violation of the anti-trust laws of the United States, or the decree herein.

"In case said trustees shall disagree as to the voting of said stock, they, or either of them, or the petitioner, or the defendants, may apply to the Court for an order directing how said stock shall be voted, with the right of either party hereto to be heard and to except to the order of the Court and to appeal therefrom.

"It shall be the duty of said trustees to keep themselves informed as to the progress made in the sale of the stock in accordance with this plan and report the same to the Court as and when directed by it, or upon their own initiative, and with such recommendations and suggestions as they may deem proper."

Your trustee begs leave to refer to the report by the trustees under said plan dated April 8, 1922, and duly filed in this cause, together with exhibits with said report, for full statement of the action of the trustees during the first year in which said plan was in operation.

Second. In said plan it is provided that

"If any vacancy in said trusteeship occurs, because of the removal or otherwise of said Henry W. Anderson the [fol. 1552] court shall appoint as his successor a suitable person upon the nomination of the petitioner; and if such vacancy shall occur because of the removal or otherwise of said George Sutherland, the Court shall appoint as his

successor a suitable person upon the nomination of the Armour and Swift groups of defendants."

The Honourable George Sutherland, having been appointed to and having accepted the position of Associate Justice of the Supreme Court of the United States, filed his resignation as trustee under said plan on the — day of ——, 1922, and thereupon a vacancy occurred in the position filled by him. Your trustee is advised that by agreement between the Swift and Armour groups of defendants and the petitioner, the United States, no nomination was made to the court to appoint a successor to fill said vacancy as in said plan provided; but the undersigned, the remaining trustee appointed under said plan, was requested to act as sole trustee thereunder by the Swift and Armour groups of defendants, who had the right to nominate the successor for the vacancy thereby created, and with the consent of the petitioner and at the request of the Swift and Armour groups of defendants, your trustee has since been acting as sole trustee under said plan and discharging the duties therein and thereby vested in and conferred upon said trustees. Among other things, the undersigned as sole trustee has voted the stock of the Swift and Armour groups of defendants deposited under said plan at meetings of the stockholders of the respective stockyard companies held since the resignation of the Honourable George Sutherland as aforesaid or has executed proxies [fol. 1553] for the voting of the same. In view of the fact that the original powers of attorney executed to the trustees by said groups of defendants ran to the Honourable George Sutherland and the undersigned as trustee jointly, your trustee has requested the Swift and Armour groups of defendants to execute and file with the respective corporations new powers of attorney under said plan, running to the undersigned trustee solely, with power of substitution in the same form as said original powers of attorney, to the end that there might be no question of the validity of the action of the undersigned acting as sole trustee in voting said stock at said meetings, and this action has been taken by said groups of defendants. Your trustee would, however, respectfully request that this Honourable Court enter a decree ratifying and approving the action of the undersigned as sole trustee, including the voting of said

stock since the resignation of the Honourable George Sutherland as aforesaid, and up to the date of this report.

Third. During the current year, and since the filing of the report of April 8, 1922, certain of said stockyard companies in which stock is held by the Swift and Armour groups of defendants or some of them and voted under said plan have increased their capitalization by the issue of additional stock, either in the form of stock dividends or otherwise. Among the exhibits attached to this report and [fol. 1554] prayed to be read as a part hereof will be found statements showing any changes in the capitalization of the various companies in which the stock is voted under said plan. All stock issued to the Swift and Armour groups of defendants in such increase of capitalization in the form of stock dividends or otherwise has been duly deposited with the Illinois Trust and Savings Bank as depository under said plan, and powers of attorney have been executed to the trustees or to the undersigned as sole trustee to vote same under said plan, and your trustee has been duly advised of such deposit.

Fourth. As will appear from the record in this cause during the past year, the stock of the Swift and Armour groups of defendants in the Jersey City Stockyards Company has been deposited under said plan, and proxies or powers of attorney running to the trustee to vote said stock have been duly deposited with said company and copies thereof furnished your trustee. Your trustee has since voted said stock at meetings of stockholders of said corporations in pursuance of said plan.

Fifth. Your trustee is further advised that since the last report a certificate for 7,900 shares of the common capital stock of the Union Stockyards Company of Omaha, Ltd., held under pledge at the time the plan of April 12, 1921 became effective, has been released from said pledge and surrendered to the Illinois Trust and Savings Bank, depository, and power of attorney or proxy authorizing your [fol. 1555] trustee to vote the same has been issued covering such additional shares so deposited. While the stock of the Chicago Stockyards Company was not deposited under said plan, and your trustee was not authorized to vote the same, yet he is advised that the Armour group have disposed of all stock held by them in said Chicago

Stockyards Company, in pursuance of the plan filed with the court on February 24, 1921. This information is given as bearing upon the general question of the disposition of said stock.

As already stated, the court will find a detailed statement of changes in capitalization and personnel of the various corporations mentioned filed as a part of the exhibits with this report, and further detailed reference thereto is deemed unnecessary.

Sixth. Under the provisions of said plan quoted above, your trustee was charged with the duty of acquainting himself with the conduct and operation of said stockyard companies and of stockyard terminal railroads, and was further required to vote said stock so as not to interfere with the management and conduct of said companies, unless he should be of opinion that said stockyards or railroads, or some of them, are being used in violation of the anti-trust laws of the United States, or the decree in this cause.

In pursuance of said instructions, your trustee has endeavored to keep informed to the best of his ability as to the conduct of the business and affairs of said stockyard [fol. 1556] companies and stockyard terminal railroads during the past year, and has voted the stock of said stockyard companies deposited under said plan for the continuance of the existing management, with such changes in personnel as might be requested by the owners and depositors of said stock, since he has found nothing in said management which in his opinion was in violation of the anti-trust laws of the United States, or the decrees of the court in this cause.

Seventh. In order to enable your trustee to carry out his duties under said plan, he arranged during the month of February, 1923, to visit a number of said stockyards, accompanied by Herman J. Galloway, Esquire, counsel for the United States in this cause, and a representative of the Armour and Swift groups of defendants, in order to make a personal inspection of said yards, and to take evidence of any persons desiring to testify with relation to the management of the said stockyards. Pursuant to this plan, your trustee visited the Jersey City Stockyards on the 15th day of February, 1923, accompanied by Mr. Galloway, and made a careful inspection thereof, and took the testimony

of Mr. R. C. Bonham, Manager of said stockyards, and a number of dealers, commission men and others carrying on business on said yards, with a view to informing himself as to the conduct thereof under the provisions of said plan. A copy of the evidence so taken and exhibits therewith showing the conditions of the stockyards and the judg-
[fol. 1557] ment of persons familiar with same as to the management thereof as filed with this report as a part hereof.

Eighth. From the Jersey City Stockyards your trustee went to the stockyards at East St. Louis on February 17, 1923, made an inspection and took the evidence of the manager and various witnesses as to the conditions existing in said yards with special reference to the instructions contained in said decree. From St. Louis your trustee went to Fort Worth, Texas, which had not been formerly inspected by Honourable George Sutherland and the undersigned during 1922, and made a careful investigation of the conditions existing at that point. From Fort Worth your trustee went to Kansas City and inspected the yards at that point, and also went over carefully the situation at St. Joseph, Missouri, with the manager of the St. Joseph yards. Thence your trustee went to Omaha and after careful inspection took the evidence of numerous persons, including the manager of said yards, traders, stock-dealers, commission men, stock-growers and others as to the conditions prevailing at that point, and also made inquiries as to the conditions prevailing at Sioux City. Your trustee was unable to visit the yards at St. Paul and Denver, but obtained from the management of said yards full reports as to the conditions prevailing thereof as affecting the management thereof. The evidence taken at the various points indi-
[fol. 1558] cated, together with reports on the yards at St. Paul and Denver are all returned herewith for the information of the court and made a part of this report.

The yards at St. Paul, Sioux City, Omaha, St. Joseph, St. Louis and Denver had been carefully investigated by the trustees under said plan in May, 1921, and the record of the hearings at that time will be found as a part of the report of the trustees filed herein on April 8, 1922, as aforesaid. Your trustee did not deem it necessary to visit the smaller stockyards in which the interests of the Swift and

Armour groups of defendants is very small, as the conditions prevailing in those yards were illustrated by those prevailing at the yards visited, and no definite complaints have been received as to conditions at these smaller yards.

The general results of the investigations so made may be briefly summarized as follows:

I

Conduct and Operation of the Stockyards and Stockyard Terminal Railroads

In connection with this point, your trustee would refer to the report filed April 8, 1922, where the details of this subject are discussed. On the recent visit to said yards, your trustee did not find that there had been any material change in the methods of operation and management as set forth from pages 7 to 25 inclusive of said report of April 8, 1922. The general testimony of the witnesses, which evidence was [fol. 1559] taken and is returned herewith as aforesaid was to the effect that the management of the yards had been constantly improving during the past year; that complaints were less frequent, and that where these were made they received prompt attention from the managers. In some instances, as at St. Louis, we could find no evidence of any complaints, while at all yards visited it was the general testimony of producers, shippers, commission men, traders and others who were examined that the management was satisfactory and the facilities were being constantly improved. We refer to the evidence returned herewith for the details on this subject. Your trustee feels constrained to observe, however, that it was a source of gratification to find that the relations between the management of the stockyards companies and the public was so satisfactory as evidenced by the testimony of the various persons representing different branches of the industry who were examined, and it was their universal opinion that the management was good, that the business received prompt and efficient attention, and that such minor complaints as related to the price of feed, or the service rendered, which would be inevitable in a business of this kind, received the prompt attention of the management, and the objectionable conditions, if they were found to exist, were remedied.

There were two matters as to which special inquiry was made by your trustee on his recent visit to said yards, and which deserve special mention.

[fol. 1560] (1) The Development of the "Drive-in" Business

As a result of the improvement of public highways and the enlarged use of automobiles and automobile trucks, there has been a very rapid development in the so-called "drive-in" business—that is, cattle, hogs and sheep brought into the stockyards from local territory in automobile trucks. This business has now become so extensive that it covers generally the area within 75 or 100 miles of the respective stockyards, the distance dependent upon local conditions and the conditions of the highways. Where cattle are brought in by private conveyance of this character, the stockyards company necessarily loses the unloading charge of $1.00 per car, which is paid by the railroads for stock brought in by rail. In most instances, cattle specially in the cases of hogs, brought in by private conveyance is promptly sold on arrival at the stockyards, and the stockyard loses to some degree on the same in feed, etc., which would otherwise be furnished. While the testimony develops that this business has grown very greatly, and it is anticipated that in a short time practically all live stock within 100 miles of the yards will be brought in in this way, it has not as yet affected the earnings of the companies to such a degree as to make any changes in the yards or any discrimination in charges as between cattle driven in and those brought in by rail. The testimony, however, discloses a very interesting development of the business along this line, which may in course of time make necessary some modifications in the present methods of handling business [fol. 1561] at the yards.

(2) The Development of Cooperative Selling Agencies

Within the past year there appears to have been a very decided development of cooperative selling agencies in some of the yards. The increase in this business varies at various yards, as will appear from the evidence. Your trustee made careful inquiry to ascertain if there was any discrimination either by the stockyard companies or the

packer buyers against such cooperative agencies in the handling or purchase of live stock, but the testimony was that such discrimination did not exist. It was admitted by the representatives of these agencies who were examined in every instance where it was possible to do so, that the stockyards companies gave them the same facilities and service as was furnished regular commission men, and that the packers bought from such cooperative selling agencies without discrimination. There was evidence in some yards of disagreement between such cooperative agencies and the regular commission houses, which is probably not unnatural, in view of the fact that such agencies if developed would make a serious inroad upon the business of the commission men. This matter, however, did not appear to your trustee to be within the scope of his jurisdiction under the decree, but was a matter of the relationship between persons on the yards, which if it required public control at all would come within the scope of the jurisdiction of the Secretary of Agriculture under the Packers [fol. 1562] and Stockyards Act. In any event there was no suggestion that the management of the stockyards was guilty of any discrimination as between these agencies and the regular dealers on the yards.

(3) The Operation of the Packers and Stockyards Act

Since the plan under which your trustee is acting was put into effect, the Act of Congress known as the Packers and Stockyards Control Act was passed, giving to the Secretary of Agriculture general control and supervision over the operation of the stockyards and the rates, charges, etc., thereon. Under the terms of this Act the Secretary of Agriculture appoints supervisors, one of whom is stationed at each yard, these supervisors being shifted from yard to yard from time to time. At each of the hearings held by your trustee the supervisor appointed under this Act was present, and was invited to ask any questions relating to the matters under inquiry which might occur to him. By examination of the evidence taken at these hearings, it will appear that your trustee made inquiry at every yard as to the effect, beneficial or otherwise, of the operation of this Act, it being deemed a pertinent inquiry as affecting the necessity for the prompt sale of the stock deposited under

said plan, and as bearing upon the proper administration of said yards.

Your trustee found that the testimony without exception so far as can now be recalled developed the opinion of producers, shippers, traders and commission men generally to the effect that while the operation of the Act had made [fol. 1563] as yet but little difference in the actual conduct of the business on the yards, its effect had been beneficial, specially upon the relations between the public and the stockyards, in that it had provided at each of the yards an authorized representative of the Department of Agriculture, to whom any person having complaints of any matter arising on the yards could present such complaints for adjustment. It was the general testimony of the management of these yards that the supervisors appointed by the Department of Agriculture had been useful in the adjustment of such questions and in bringing to the attention of the management any matter which might be the subject of complaint which had escaped their attention, and that the presence of these supervisors and the knowledge that the yards were under the general supervision of the Department of Agriculture had tended to satisfy the public, to remove irritation and complaint, and to allay any demand which had theretofore existed for a change in the control of said yards. The attention of the court is invited to the testimony of the various witnesses on this subject, to be found in the evidence returned herewith. The discussion of these matters contained in the report of your trustees of April 8, 1922, will be generally applicable and need not now be repeated.

Upon the information so obtained and other information acquired from time to time by your trustee from various sources, your trustee reached the conclusion that the stockyards and the stockyard terminal railroads are not now [fol. 1564] being used in violation of the anti-trust laws of the United States, or of the decree of this court in this cause.

II

As to Sale of Stock Held by Swift and Armour Groups of Defendants in said Stockyard Companies in Accordance with said Plan

In the former report filed herein your trustees brought to the attention of the court the efforts which had been made

to sell the stock held by the Swift and Armour groups of defendants in said stockyards, including the advertisement which was inserted in numerous newspapers listed in said report asking for bids for said stock, with the results obtained therefrom. It will appear from that report that all efforts made up to the filing of same to dispose of any substantial amount of the stock had proven unsuccessful. Your trustee is advised that in the past year the owners of said stocks have kept up a constant inquiry as to any possible opening which might be presented for the sale of such stock at a reasonable price, as provided in said plan, but as yet have been unable to receive any offer for said stocks or any substantial part thereof. During the recent visit of your trustee to said stockyards, inquiry was made at every point of bankers, business men and others who might be informed on the subject, including shippers and producers selling on said yards, as to whether it would be practical at this time to sell the stocks of the Swift and Armour groups of defendants in the respective yards in the territory served thereby, and the testimony was generally to the [fol. 1565] effect that such sale would not be practical.

Your trustee also inquired carefully into the existing sentiment in the various communities served by said stockyards with respect to requiring the sale of said stocks and the separation of the packers from any ownership of stock in said yards, or from the management of said yards. This inquiry was made with special care at Fort Worth, in which territory the sentiment in favour of the segregation of the stockyards from packer ownership was said to have been largely developed, and at Omaha where there was also some sentiment on the subject. The testimony of various witnesses representing various branches of the industry was to the effect that any sentiment which had heretofore existed for the segregation of the stockyards from packer interest or control had largely died out, and that this result had been further contributed to by the enactment and operation of the Packers and Stockyards Control Act. The only witness among the many examined who still felt that the packers should be required to sell their stock in the stockyards and the management be entirely divorced from packer interest was Mr. E. L. Burke, whose evidence will

be found in the record, p. 239. He felt that the present management was good, but that as a matter of principle the ownership of stock in the stockyards by the packers was bad. The court is referred to his testimony for his views on the subject.

The evidence was universal to the effect that the stockyards company had nothing to do with the sale or handling [fol. 1566] of live stock on the yards, except to provide the facilities and service, and your trustee was unable to develop any evidence of the slightest discrimination on the part of stockyards companies as between packers and other buyers. The testimony was also general that there was full and free competition in the purchase of live stock upon the yards at all points visited.

Your trustee felt that an investigation of these conditions and the present state of public sentiment and the presentation of the facts resulting therefrom would be helpful to the court in reaching its conclusions as to further action in this connection, and the court is referred to the testimony returned herein of the persons examined, which evidence has been herein summarized.

From the facts presented, and from inquiries made, your trustee has reached the conclusion that while no substantial results have been secured by the efforts to sell the stock of the Swift and Armour groups of defendants deposited under said plan, yet it is believed that the said defendants have made sincere efforts to sell said stock, and that up to the present time their efforts in this regard have met with no substantial success.

III

Voting Stock under the Plan

As already indicated, your trustee has during the past year voted the stock deposited under said plan for the continuance of the existing managements, with such changes in [fol. 1567] personnel as have been suggested by the owners of said stock, or made necessary by other conditions. As indicated above, a number of the companies have during the past year declared stock dividends, resulting in a decrease of the capital stock of such companies. Your trustee deemed it his duty under the terms of said plan to vote said stock in favour of such increased stock issues where

requested by the owners thereof, and it has been so voted.

As indicated above, in view of the fact that the voting power was originally vested in Honourable George Sutherland and the undersigned jointly, and has since his resignation been exercised by the undersigned as sole trustee by agreement of the respective parties to this litigation, it is suggested and respectfully requested that this court enter a decree approving and ratifying the action of the said trustee in voting said stock as sole trustee as reported herein.

IV

Exhibits Returned

Your trustee respectfully returns the following exhibits:

Exhibit No. 1. Statement of changes in capitalization and official organization of the various stockyard companies in which the stock is deposited under said plan.

Exhibit No. 2. Report of hearing held at Jersey City Stockyards February 15, 1923.

[fol. 1568] Exhibit No. 3. Report on the Denver Union Stockyards Company with accompanying exhibits.

Exhibit No. 4. Report on the St. Paul Union Stockyards Company with accompanying exhibits.

Exhibit No. 5. Testimony taken at various stockyards companies February 17 to February 21, 1923, with exhibits accompanying same.

Exhibit No. 6. Notices of hearings and newspaper clippings relating to the same.

Your trustee holds himself in readiness to furnish to the court any additional information on any point on which the court may desire the same within the scope of his duties under said plan, and to submit to the court upon its request any recommendations or suggestions which may be desired pertaining to the matters within the scope of his duties as prescribed by said plan.

Respectfully submitted.

(Sgd.) Henry W. Anderson, Trustee.

March 21, 1923.

[fol. 1569] PETITIONER'S EX. 165

BEFORE THE INTERSTATE COMMERCE COMMISSION

Docket No. 10745

NATIONAL WHOLESALE GROCERS' ASSOCIATION OF THE UNITED STATES

v.

DIRECTOR GENERAL OF RAILROADS et al.

Docket No. 10745, Sub. No. 1

SOUTHERN WHOLESALE GROCERS' ASSOCIATION et al.

v.

SOUTHERN RAILWAY COMPANY et al.

BRIEF ON BEHALF OF ARMOUR & COMPANY, MORRIS & COMPANY, WILSON & COMPANY, and SWIFT & COMPANY, Interveners

H. K. Crafts, Attorney for Armour & Co. Luther M. Walter and John S. Burchmore, Attorneys for Morris & Co. George P. Boyle, Attorney for Wilson & Co. R. D. Runder, Attorney for Swift & Co.

Chicago, Ill., September 7, 1920.

[fol. 1570] In the brief entitled as above, beginning on page 10 and continuing to and including part of page 17, it is said:

The Decree of February 27, 1920

Under date of February 27, 1920, a decree was entered by Chief Justice McCoy in the Supreme Court of the District of Columbia (In Equity, No. 37623) in a proceeding in which the United States of America was petitioner and Swift & Company, Armour & Company, Morris & Company, Wilson & Company, and Cudahy Packing Company, together with certain subsidiary companies of each and certain officers of each, were defendants. The decree is printed in full at pages 407-430 of the Abstract of Evidence and we request that it be read and considered by the Commission.

Certain comment upon the decree is deemed proper at this point.

In the first place, it is to be noted that the decree was what is known as a "consent decree." The entry of the decree submitted by the Attorney General, was consented to by the defendants without hearing. It is specifically stated in the stipulation upon which the decree was entered that such stipulation "shall not constitute or be considered as an admission, and the rendition or entry of the decree, or the decree itself, shall not constitute or be considered as an adjudication that the defendants, or any of them, have in fact violated any law of the United States."

The Commission can hardly be unaware that during the past year or two there has been considerable criticism from different sources directed against the larger packing companies. The packers have believed that they were doing all in their power in difficult times, to serve well and economically that portion of the public to whom they sold their [fol. 1571] meats and packing-house products. The packers had found it to be economical, from a business standpoint, in view of the organization and facilities already existing and necessary for the sale of fresh meats and packing-house products, to utilize that organization and those facilities for the handling and sale of certain other articles. Such utilization tended to reduce the overhead expense as well as the selling expense in connection with all of the articles dealt in and was, therefore, a practice of benefit to the public as well as to the individual packer. Nevertheless this action of the packers brought about numerous protests, the present proceeding being in fact one of the efforts made by certain classes of merchants towards eliminating the competition in certain articles of the packing companies.

The Commission is probably aware that the merchants who objected to the sale by the packers of the articles generally dealt in by the wholesale grocers earnestly urged before committees of Congress the enactment of legislation under which the packers would no longer be permitted to manufacture, deal in, or sell such articles. Earnest efforts to the same end were the subject of proceedings before the Federal Trade Commission, and the reports of the Federal Trade Commission have to some extent been placed in evidence in this case. These reports of the Federal Trade Commission were made on ex parte proceedings in which

the packers were denied the opportunity to produce or examine witnesses. In all of the steps taken to bring about the elimination of packer competition in the sale of certain articles, it was loudly and constantly asserted that the larger packers were attempting to obtain a monopoly control of the sale and distribution of the principal food products of the country.

It was in order to make publicly of record such an absolute and unqualified denial of any effort to monopolize the food products of the country as could not be disputed by [fol. 1572] any intelligent mind that the packers defendant in the equity proceedings consented to the entry of the decree in that case.

Under this decree, within two years from the entry thereof, or not later than February 27, 1922, the defendants will cease dealing in practically all of the articles competitive with the wholesale grocers except cheese, lard compounds or substitutes, peanut butter, butter substitutes and soap. Under this decree the packers will continue to deal not only in fresh meat and packing-house products, but also in what are commonly known as dairy products, that is, dressed poultry, butter, eggs, and cheese; and also in those commodities which are made in part from the products of packing houses such as soap, lard compounds, oleomarg-ine, mince meat, etc.

The articles which the packers will cease to handle under this decree are listed in detail in the decree under the following general headings:

1. Fresh, canned, dried or salted fish;
2. Fresh, dried or canned vegetables; except in combination with meats;
3. Fresh, crushed, dried, evaporated, or canned fruits, except when used as an ingredient of mince meat;
4. Confectionery syrups, soda fountain supplies;
5. Molasses, honey, jams, jellies and preserves of all kinds;
6. Spices, sauces, condiments, relishes and sauerkraut;
7. Coffee, tea, chocolate and cocoa;
8. Nuts, not including peanuts;
9. Flour, sugar and rice;
10. Bread, wafers, crackers, biscuits;
11. Cereals;

12. Grain;
13. Miscellaneous articles including cigars, china, etc.
[fol. 1573] 14. Grape juice.

It should be understood in this connection that none of the five defendant packers, nor all of them combined, have dealt in all of the articles named in the decree; and that some of the defendants have handled very few of such articles.

The articles so listed in this decree appear to include all of the articles specifically named in the complaint of the National Wholesale Grocers' Association except cheese, peanut butter, soap and soap powder.

Soap and Soap powder are considered by the packers as packinghouse products, and they are the manufacturers of the soap in which they deal, certain constituents and elements of which are the products of animals. Cheese and the other dairy products are articles for which the packers' facilities by way of cold storage warehouses and refrigerator cars are peculiarly a necessity and it is believed that the continued dealing in the dairy products by the packers is for the general public good.

It must be realized that the decree brings about a condition much more favorable to the wholesale grocers than any they could have obtained through the entry of any order by the Commission in this case. Any such order as is sought by complainants would simply have made it more difficult or more expensive for the packer to continue to deal in certain articles, by removing such articles from the ordinary channels of distribution employed by the packer, but it would not necessarily have resulted in a discontinuance by the packer of the manufacture or purchase and sale of such articles. Under the decree, however, the packers are absolutely eliminated as competitors of the wholesale grocers, or any other class of merchants, with respect to all articles except cheese, soap, peanut butter, and [fol. 1574] the complaint of the National Wholesale Grocers' Association correctly indicates the articles in which the grocers are principally interested, then under the decree the competition of the packers is eliminated with respect to all articles except cheese, soap, peanut butter, and lard and butter compounds and substitutes.

It may be mentioned in passing that the two-year limit allowed for compliance with the decree was in order that

the packers might dispose through normal channels and without undue losses of any of their stocks of goods on hand at the time of the entry of the decree. The defendant packers are carrying out in good faith the terms of the decree. It is expected that they will have complied with the decree, in so far as it relates to their discontinuance of the sale of certain articles, well in advance of the time allowed by the decree. The decree also makes certain requirements with respect to the ownership of stockyards, and other matters, which are not material to the present proceeding.

In this connection attention should be called to the third section of the decree, which prohibits the defendant packers, through any device or arrangement whatsoever, from using or permitting the use of their distributive system and facilities, including their branch houses, route cars, and auto trucks, in any manner, for the purchase, sale, handling or transporting of the articles specified in the decree. The consent of the packers to this provision of the decree was not because such facilities had been used in any unlawful manner, but simply in order that it might not later be charged that a loophole was open by which affiliated interests could engage in the same business through the packers' facilities. In other words, the agreement to this section of the decree was in order that the good faith of the defendants might be established beyond [fol. 1575] question, and not because such facilities had been used in any unlawful manner, in violation of the Interstate Commerce Act or of any other law of the United States.

With respect to the articles not relinquished by the packers under the decree, the record shows clearly that there is little, if any, dealing or shipment by the wholesale grocers in dressed poultry, butter and eggs. This is doubtless because these articles, if they are to be delivered to the consuming public in sound and unspoiled condition, require the use of refrigerator cars in transportation and the use of cold storage warehouses while in storage awaiting transportation or sale. Generally speaking, wholesale grocers have not provided themselves with cold storage warehouses in which to hold the dairy products while awaiting the sale and shipment of these articles and for this reason do not deal in them to any great extent. The

wholesale grocers apparently do a considerable business in cheese, especially in the kinds of cheese and at seasons of the year when cold storage is not an absolute prerequisite to the handling of the commodity; nevertheless it is a matter of common knowledge that refrigeration, both during storage and in transit, is an absolute prerequisite to the proper distribution of cheese through the country and especially in the warmer parts of the country.

Southern Wholesale Grocers' Association Satisfied by the Decree

It had been expected by the five larger packers that after the entry of this decree the complainants would not deem it necessary to continue this proceeding, inasmuch as the decree absolutely eliminated the competition to which the grocers object, and therefore brings about a result much more satisfactory to the complainants than any which could be obtained by means of an order of the Commission in this proceeding.

[fol. 1576] It would appear that such was the result in so far as the Southern Wholesale Grocers' Association, the complaint in No. 10745, Sub No. 1, is concerned. After the entry of the decree counsel for the Southern Wholesale Grocers' Association filed with the Commission a motion that its complaint be placed upon the suspense docket pending the carrying out of the terms of the decree by the defendant packers. The National Wholesale Grocers' Association did not concur in this motion and insisted upon going forward with the hearings. Therefore, the motion of the Southern Wholesale Grocers' Association was not granted by the Commission.

The satisfaction of the Southern Wholesale Grocers' with the decree is set forth in a letter dated February 9, 1920, addressed to Mr. J. H. McLaurin, president, Southern Wholesale Grocers' Association, Jacksonville, Fla., by Edgar Watkins, Esq., counsel for that association. Mr. Watkins transmitted to Mr. McLaurin with this letter a copy of the decree, and explained in detail the provisions of the several sections and paragraphs of the decree. With respect to the general subject matter covered thereby, Mr. Watkins made the following statement in said letter:

"From a somewhat extensive experience in courts of equity, I have never seen another decree so comprehensive

as is this. It prohibits acts which Congress could not constitutionally prohibit, and it grants relief to the people broader than any granted by any other decree ever entered by a court of the United States. It is not merely a dissolution decree, as most of the decrees heretofore entered in anti-trust suits have been. It is a constructive plan to enforce fair business practices and it provides not only a means for its enforcement, but a method whereby it may be enlarged."

The letter clearly indicates that the elimination of the grocers as competitors in the sale of the articles described in the decree undoubtedly brought to the hearts of the members of the Southern Wholesale Grocers' Association a degree of joy and satisfaction which could not have been obtained by any order affecting merely the transportation [fol. 1577] of these articles. In other words, this decree attained the real object sought by the wholesale grocers, both in the north and the south, namely the elimination of the competition of certain large concerns organized to do business in an efficient manner and upon a small margin of profit.

[fol. 1578] PETITIONER'S EX. 166

BEFORE THE INTERSTATE COMMERCE COMMISSION

I. C. C. Docket No. 10745

NATIONAL WHOLESALE GROCERS ASSOCIATION OF THE UNITED STATES, Complainant,

v.

WALKER D. HINES, Director General of Railroads, et al., Defendants

BRIEF FOR COMPLAINANT

* * * * * * *

In the course of this brief, we will have occasion to discuss the Attorney General's so-called consent decree. The justification for that decree is the justification for our

action in this case. But the relatively small tonnage affected by the decree and the inconsequential character of the decree as a practical solution of the problem, will be briefly considered in our discussion of this case. In a word, transportation is the heart of the problem, and the evils at which the consent decree struck will find no genuine remedy until the Interstate Commerce Commission shall enforce equality of service by a suitable order against the public carrier, a vital order effectively compelling compliance in practical fashion with the statutory mandate against discrimination (pp. 7).

* * * * * * *

[fol. 1579] The Consent Decree as a Remedy

The consent decree entered in the Supreme Court of the District of Columbia February 29, 1920, by the United States against the five largest of the meat packers who came forward and intervened in the present case, require that these packers shall within two years (the court of course has power to extend that time, and appeals for extension are now under consideration) discontinue their business in the so-called unrelated lines. They are, however, permitted to continue business not only in the products of slaughtered animals, but in cheese, condensed, powedered and evaporated milk, and various vegetable products including vegetable soups, vegetable cooking oils, and vegetable cooking fats, including lard substitutes.

The Attorney-General, and not the complainant here, was the complainant in the proceeding in which the said decree was entered. That decree is in the hands of the court; it may be postponed or changed at any time. It is not effective for two years and has many limitations upon its usefulness. The decree has no legal bearing upon the present case, since the issue here is wholly one between the railroads and complainant. But the decree, of course, has a most practical bearing upon this case.

If the Commission shall find that there has been illegal discrimination by the railroads, then an order eliminating the unrelated commodities from the packers' cars which are listed in the decree will be only a legal formality, as respects both the railroads and the five largest interveners. In other words, the transportation difficulties and the eco-

nomic losses, whether to the railroads and the packers or [fol. 1580] the public, that the railroads and the packers assert will result if the Commission orders the unrelated items out of the cars, are as respects a large part of these commodities now in evidence, irrespective of any action that the Commission, the railroads or packers may take.

These dire consequences that have been imagined by the railroads and packers in this case are not certain, unless the five large packers shall put themselves in contempt of the Supreme Court of the District of Columbia.

The number of articles listed in the decree, that certain packers are alleged to be enjoined from handling, is imposing in length; but those articles constitute only about one-fourth of the so-called unrelated items handled in peddler cars by representative Chicago packers, if you make your comparison on the tonnage basis.

This fact has been established in the following manner:

The packers have proposed in this and in the Consolidated Classification case, a list of fresh meats and packing house products which they claim are entitled to the carload mixture privilege. We shall use the term "unrelated items" as applying to the articles not included in this list of fresh meats and packing house products. The list itself having been prepared by the packers, we feel justified in using the term as stated.

To this list, we need take only one exception for the purposes of the following computation: Lard. A lard substitute is not a slaughter house product; it is not a product of the slaughtered animal. With this in mind, we direct attention to the testimony of the leading traffic witness for Swift & Company, to the effect that 26.75 per cent of their tonnage in peddler cars consisted of these unrelated items, as follows:

[fol. 1581] Soap (7.04 per cent).
Oleomargarine (3.12 per cent).
Fish (.46 per cent).
Cheese (2.7 per cent).
Libby goods (5.8 per cent).
Dairy products (2.46 per cent).
Lard compounds (5.8 per cent).

Of this entire list, only 5.8 per cent (Libby goods) plus .46 per cent (Fish) or 6.26 per cent, are affected by the

decree. The canned meats and other canned foods containing these ingredients should be deducted from that figure.

Therefore, of the unrelated items constituting 26.75 per cent of the total, there are only 6.26 per cent, or about one-fourth which are affected by the decree.

During the trial the complainant asked the intervening packing companies and the defendant railway companies, if they would give their consent for the Commission to make an order that the carrier defendants should revise their tariffs, rules, regulations and practices so as to provide that the so-called unrelated items listed in paragraph 4 of the decree should not be shipped with fresh meats and packing house products in the same privately-owned or railroad-owned refrigerator or peddler cars (Tr., 2012).

Mr. Rynder, on behalf of Swift & Company, replied:

"I want to say that we certainly will not object to any order that would not be divergent from the terms of that decree" (Tr., 3536).

Mr. Boyle, speaking for Wilson & Company, and some independent packers, stated:

"I want to say for the interests that I represent that we will not consent to any order of the Commission excluding any articles from any refrigerator cars, either in peddler or branch house service, effective at any time whatever" (Tr., 3540).

[fol. 1582] Further, on behalf of Hormel & Company:

"I shall object to it from every possible angle, and will not consider it necessary to record or consider the decree at all" (Tr., 3543).

Mr. McCornack was very prompt in his statement that he would not consent to an order which affected only the articles involved in the consent decree. He gave as his reasons, first, that the companies he represented, with only one exception, were not defendants in the consent decree, and further, that the single company that was a defendant had two years in which to wind up its grocery business. As to those packers who were not defendants, he stated:

"They intend to continue the grocery business, and will until somebody stops them."

Under the terms of the decree, any member of the five principal packing firms, and two of his friends, or his niece or nephew, can organize another company and handle any of these commodities embraced in the decree, providing he does not own 50 per cent of the stock of the new company. In this connection it must be remembered how fruitless dissolution decrees by state and federal authorities have been in the past. Theoretically, they sound very well. Practically, they are of little value.

Complainant urges that the Consent Decree should not, and cannot, properly be regarded by this Commission as a true remedy for the discriminations set forth in the complaint and established by the evidence. Complainant's action is against the railroads. If there be discrimination, it is the public carriers who have practiced it, and upon the proof introduced by complainant in this case, it is submitted that the Commission should remove the discrimina- [fol. 1583] tion by a suitable order against the defendant carriers, which order would, to the extent that it included products covered by the Consent Decree, make that decree permanently good, so far as transportation is concerned, and vindicate the principles by which the Government was guided in the extended investigation and preparation that resulted in the Consent Decree. But if the principle of equality for which complainant here contends, be sound, and if the right exists to have the competitive field free and open, for which right the government itself contended, in securing the consent decree in the Supreme Court of the District of Columbia, then that principle and that right should be logically applied, and should not arbitrarily be limited to the commodities named in the decree, but extended so far as transportation is concerned to include products not belonging to the slaughtering industry in which defendant interveners in this case are engaged and for the conduct of which particular industry they have built and used private refrigerator cars.

If these interveners, as they doubtless will, should desire to continue their business in cheese and other dairy products and in the various other unrelated items, such as vegetables, cooking oils and fat, including lard substitutes, and in condensed, powdered and evaporated milk or in any other groceries or products whatever, complainant is wholly content, provided always that the public car-

riers shall not accord to these competitors, or to any others, privileges or other advantages from which members of the complainant, and in fact, other independent shippers of food products, are excluded.

Further, it is true that other packing companies not defendants in that case may attain the magnitude of the [fol. 1584] so-called Big Five. We have witnessed during the past few years a very remarkable growth of one or two companies. Whether the Department of Justice might intervene is problematical. It is common knowledge that the dissolution of the Standard Oil Company has been followed by a division of territory by Standard interests, and the Department of Justice and the courts have not interfered.

However that may be, it is certain that these discriminations would be ended once and for all, if a suitable order were entered against the carriers themselves, the railroads, who are the real parties practicing the discrimination. Such an order would apply to all shippers, whether they are parties to the consent decree or not (pp. 158-165).

* * * * * * *

Respectfully submitted.

Clifford Thorne, Breed, Abbott & Morgan, Dana T. Ackerly, R. C. Fulbright, Ralph Merriam, Attorneys for Complainant.

32 Liberty St., New York, August 14, 1920.

[fol. 1585] PETITIONER'S EX. 166A

BEFORE THE INTERSTATE COMMERCE COMMISSION

I. C. C. Docket No. 10745

NATIONAL WHOLESALE GROCERS ASSOCIATION OF THE UNITED STATES, Complainant,

v.

WALKER D. HINES, Director General of Railroads, et al., Defendants

REPLY BRIEF FOR COMPLAINANT

* * * * * * * * *

Counsel for the interveners state in their brief that the expansion of the packers' business in the handling of

"other articles" than fresh meats and packing house products, "brought about numerous protests, the present proceeding being in fact, one of the efforts made by certain classes of merchants toward eliminating the competition in certain articles of the packing companies. The commission is probably aware that the merchants who object to the sale by the packers of the articles generally dealt in by the wholesale grocers earnestly urged before the Committee of Congress the enactment of legislation under which the packers would no longer be permitted to manufacture, deal in or sell such articles." (Interveners' petition, page 11.)

It is absolutely untrue that the National Wholesale Grocers' Association, or any officer, committee or other representative acting in any way for that organization sought at any time to have legislation enacted that would [fol. 1586] force the packers out of the business of handling certain commodities that were handled by grocers. This statement of the packers, if intended for the complainant, the National Wholesale Grocers' Association, is either knowingly wrong or is due to a misunderstanding on their part that would not have been possible; if they had taken the trouble to read carefully the official reports of hearings before committees of the House and Senate upon this subject.

Here is an effort to prove something in a brief that has no basis of fact in the evidence whatsoever.

The Southern Wholesale Grocers' Association did appear in favor of such legislation. The National Wholesale Grocers' Association, the complainant in this proceeding, purposely refrained from so appearing. The Executive Committee of the later organization and also the Legislative Committee considered the subject carefully and determined definitely and unanimously that it would not urge any such legislation. The National Wholesale Grocers' Association did not favor any one of the numerous so-called "packers' bills" pending either in the present Congress or the previous Congress, or in any other Congress. We have the complete record and know positively that the National Association has taken no such action since the date of its organization in 1906.

The only legislation the National Association would have favored, as was decided by its Executive Committee and its Legislative Committee and approved by the members

would have been a bill designed merely to place the packers and the grocers on an even plane without any special privileges for either. It was said again and again in these meetings of the Association that the entire field should be free [fol. 1587] and open for the packer and for the wholesale grocer as well as for any other competitor or prospective competitor. The fact is, however, that not even a bill of this kind was introduced or urged or supported by or at the instance of the National Association or anyone representing it.

One of the reasons that decided the Association not to take such action was the determination, upon the advice of counsel that the institution and completion of the case that is now under way before the Interstate Commerce Commission would be the fairest and most effective means of presenting the claims of the wholesale grocers and to secure permanent relief by an order against the railroads themselves.

If it be said that Mr. Bode in appearing before the House Committee at Washington in January, 1919, spoke for the National Wholesale Grocers' Association, one has only to refer to the official report of that hearing; he appeared only as an individual and as an officer of Reid, Murdoch & Co., of Chicago. He did not urge the enactment of any bill then pending; and he was not at that time, and is not now, an officer of the Association, or a member of any committee having to do with this subject. Moreover, he did not favor legislation in any specific form, and was one of those who considered the railroad problem paramount.

We have taken liberty of going out of the record on this matter following the precedent established by the distinguished counsel for the packers on this subject. There is absolutely nothing in the record to sustain the packers' charge, if it be directed at the complainant in this case (pp. 4-7).

* * * * * * *

[fol. 1588] What Commodities Need Refrigeration

In our suggested order, we have proposed the elimination from the lists of "fresh meats and packing house products," and therefore, from the packers' care the fol-

lowing articles: butter; renovated butter; cheese; eggs; canned fish and tamales; canned spaghetti-meat chili; canned pork and beans; mincemeat, canned meats with vegetable ingredients, lard substitutes and lard compounds, canned soups, soaps and butter substitutes, not having over 20 per cent beef, pork or mutton ingredients therein; cottonseed cooking oil; peanut cooking oil; soya bean cooking oil and corn cooking oil.

The counsel for the interveners have suggested that under the so-called "consent decree" the competition of the packers has been eliminated with respect to all articles in which the wholesale grocer is concerned (adopting the grocers' complaint as correctly indicating these articles), except cheese, soap, peanut butter, and lard and butter compounds and substitutes. This needs some qualification; but for the sake of the present discussion let us assume it as accurate. There should be no practical objection from the principal packers to the elimination of the commodities listed in the consent decree from the packers' cars; and, according to the packers this includes the following:

1. Fresh, canned, dried or salted fish;
2. Fresh, dried or canned vegetables; except in combination with meats;
3. Fresh, crushed, dried, evaporated, or canned fruits, except when used as an ingredient of mincemeat;
4. Confectionery syrups, soda fountain supplies;
5. Molasses, honey, jams, jellies and preserves of all kinds;

[fol. 1589] 6. Spices, sauces, condiments, relishes and sauerkraut;

7. Coffee, tea, chocolate and cocoa;
8. Nuts, not including peanuts;
9. Flour, sugar and rice;
10. Bread, wafers, crackers, biscuits;
11. Cereals;
12. Grain;
13. Miscellaneous articles including cigars, china, etc.;
14. Grape juice. (Packers' Brief p. 12-13.)

Neither the argument, as to the necessity for refrigeration nor the "economic" argument as affecting the public, or the packers, or the railroads, is of any consequence as to the preceding list of articles, because they come out of

the cars under the terms of the decree, according to the packers.

Dressed poultry is not contained in the current lists of fresh meats and packing house products, and under our suggested ruling would be excluded from the packers' cars. We have suggested that butter, renovated butter, and eggs, should also be excluded. As previously stated we are leaving the discussion of dressed poultry, butter and eggs to be presented by the representatives of the various produce organizations that have intervened in the case.

The main controversy hinges about the five commodities listed on page 14 of the packers' brief; as to the balance the principal arguments of the defendants fail, and the objections of the principal packers to an order in harmony with our request can have little force, because they have already agreed to abandon the handling of these articles. These other articles are not the products of slaughtered animals, they are not the products of the meat packing [fol. 1590] industry; and neither the public nor the packers will suffer because of an order by the Commission. Such an order will prevent new companies organized with the same individual packers not holding over 49 per cent of the stock, developing along the very lines the decree seeks to prevent, using the unfair and discriminatory practices which have enabled the "Big Five" to make such rapid inroads in any field they entered. It will also prevent the independent packers, not parties to the "consent decree," from using their peddler cars and refrigerator cars in distributing these same grocery lines and thereby obtaining the preferential and discriminatory service which has occasioned this proceeding.

All the other arguments we have advanced apply with full force to these articles.

Counsel for the principal packers state:

"Under the decree, however, the packers are absolutely eliminated as competitors of the wholesale grocers, or any other class of merchants with respect to each of the articles named in the decree; and if the complaint of the National Wholesale Grocers' Association correctly indicates the articles in which the grocers are principally interested, then under the decree the competition of the packers is eliminated with respect to all articles except cheese, soap, peanut butter, and lard and butter compounds and substitutes" (Interveners' Brief, 14).

The foregoing sentence is somewhat too strong. The packers are not absolutely eliminated as competitors of the wholesale grocers for several reasons: First, the independent packers were not parties to the consent decree; they are not affected to the slightest extent by that order. They can continue putting these unrelated items in their peddler cars and in their refrigerator cars, thereby getting preferential special service in the distribution of these grocery articles, which the wholesale grocer cannot obtain. This is not an imaginary or theoretical prospect, for the inde- [fols. 1591 & 1592] pendent packers announced at the trial that they intended to do that very thing. (Tr. 3543.)

2d. The decree forbidding the defendants handling these various unrelated items runs against the corporations and not the individuals. So far as the individuals are concerned, they can organize other companies and handle these same articles, or they can create separate corporations organized to operate these refrigerator and peddler cars, in which the said individuals do not hold over 49 per cent. of the stock.

The methods of other large business interests and how they have continued the operation of their various industries in spite of dissolution decrees, is common knowledge.

* * * * * * *

Respectfully submitted.

Clifford Thorne, Breed, Abbott & Morgan, Dana T. Ackerly, R. C. Fulbright, Ralph Merriam, Attorneys for Complainant.

32 Liberty St., New York, Sept. 23, 1920.

[fol. 1593] Gov. Ex. 4

The Great Atlantic & Pacific Tea Co., National Fresh Meat Department, 211 W. Wacker Drive, Chicago, Ill.

P. O. Box 1123

October 13th, 1930.

Mr. H. B. Teegarden, Special Assistant to the Attorney General Department of Justice, Washington, D. C.

My Dear Mr. Teegarden: We received your letter of October 9th.

From the figures available, the products handled in our Meat Department by the various packers would be divided approximately as follows:

Swift and subsidiaries	14% of our business
Armour and subsidiaries	12%
Wilson and Cudahy	8½%
The other Independents	65½%
Total	100%

In reference to your last paragraph, it would be quite impossible for us to furnish you with a complete list of the Independent packers. We estimate very conservatively that in our fifty units we are doing business with at least three hunderd Independent and local slaughterers and sausage makers. The New England Division alone last month did business with over fifty-five local concerns. Among the most prominent packers who are enjoying a good share of our business in certain localities are: Kingan, Morrell, Dold, Allied Packers, Kahn, Rath, Hormel, Oscar Mayer, Sinclair, Decker, Eastside Packing Company, St. Louis Independent, Columbus Packing Company, Miller & Hart and Roberts & Oake.

The reason that the Independent local packers are enjoying such a large share of our business is that on such highly perishable products such as Veal, Pork and Sausage, it is very desirable to buy nearby, home dressed merchandise.

If there is any further information that you would like us to give you, we would be very glad to be of service to you.

Very sincerely yours, T. A. Connors, National Fresh Meat Representative.

TAC-M.

[fol. 1594] Gov. Ex. 5—Oct. 20, 1920

The Great Atlantic & Pacific Tea Company

Established 1859

Executive Offices: Graybar Building, 420 Lexington Avenue, New York, N. Y.

September 8, 1930

Mr. H. B. Teegarden, Special Assistant to the Attorney General, Department of Justice, Washington, D. C.

DEAR MR. TEEGARDEN: Referring to your conversation when you were in our office on the 6th, we are listing below our Company's approximate annual purchases in dollars from certain manufacturers, as follows:

Campbell Sales Company	$10,517,000
National Biscuit Company	22,738,000
H. J. Heinz Company	2,700,000
Van Camp's	1,250,000
Procter & Gamble Distributing Co.	11,500,000
Clicquot Club Company	770,000
Pillsbury Flour Mills Company	6,000,000
California Packing Corporation	15,000,000

In regard to the information which you requested on the Gold Dust Corporation, we find that this concern controls the following companies:

Best Foods Company,
Preserves & Honey, Inc.,
2 In 1,-Shinola—Bixby Corporation,
Hecker—H. O. Company,
Hecker, Jones, Jewell Milling Co.,
Southwestern Milling Company,
Duluth-Superior Milling Co.,
Northwestern Consolidated Milling Co.

We haven't the information here showing our purchases from these various flour milling companies in the Gold Dust Corporation, but we are taking it up with our Minneapolis buying office and will be glad to forward this information to you as soon as it is received. In the mean-

time, we can give you our purchases from the other companies in the Gold Dust Corporation, as follows:

Best Foods Company	$3,100,000
Gold Dust Corporation (Soaps & Soap Powder)	755,000
Preserves & Honey, Inc.	175,000
Shoe Polishes (2 In 1, Shinola, Bixby)	125,000

[fol. 1595] We are further advised that the above figure showing purchases from the Pillsbury Flour Mills Company represents only Pillsbury brand Family Flour and does not include any purchases we might have made from them during the past year of unlabeled flour for bakery use. Also will be glad to include this additional information when we hear from our Minneapolis office.

Yours very truly, The Great Atlantic & Pacific Tea Company. C. W. Parr.

CWP-EO.

[fol. 1596] Gov. Ex. 6

This agreement, made and entered into this 9th day of May, 1919, by and between the Producers' Warehouse Company, a Corporation of the State of California, with principal office in San Francisco, California, first party, and Armour & Company, a corporation, organized and existing under and by virtue of the laws of the State of New Jersey, with principal office in the City of Chicago, Illinois, second party, witnesseth:

[fol. 1597] 1. First party hereby agrees to sell and deliver to second party, and second party agrees to purchase and receive from first party, all the California canned fruits required by the business of second party and Armour and Company, a corporation of the State of Illinois, during the life of this contract, except that purchased by second party from the California Growers Association under its contract with that Association, dated May 7, 1919, limited by the capacity of the factories operated by first party. Not later than January 1st, of each year, second party shall furnish to first party a list showing the quantity of the various canned fruits which will be required by the business of said companies from the pack of the cur-

rent calendar year, which list, in addition to the quantity, shall show the size of the container, the brand, grade and variety. All containers shall be furnished by first party

2. Said goods shall be shipped by first party from time to time and to points designated by second party, as ordered, in carload lots, delivered f. o. b. cars at points in California, taking rates not higher than the rates from intermediate rate points in California. Goods to be shipped locally to points in California shall be delivered f. o. b. cars at factories, it being understood, however, that whenever possible such goods shall be furnished from those factories located nearest to the point of destination.

3. The price to be paid by second party for said goods delivered as aforesaid during any year shall be the prices used by the California Packing Corporation in confirming its sales to the trade generally, provided, however, that first party shall not be required to sell any particular grade of goods to second party at prices which, less the discounts mentioned below in this paragraph and paragraph four hereof, are less than the fair value of the fruit plus its actual cost of manufacture, and in case the parties are unable to agree upon a price to be paid for such grades, second party shall not be required to accept the same. Said prices shall be subject to a discount of five per cent (5%) plus a further discount for cash of one and one-half per cent (1½%).

Subject to the provision aforesaid, it is the understanding that the first party shall meet the competition of the California Packing Corporation with respect to prices and should the California Packing Corporation during any year in good faith reduce its prices to the trade generally for that year, and make such prices retroactive, or should first party make prices to others lower than those of the California Packing Corporation, it is agreed that second party shall have the benefit of such reduced prices, which [illegible] with respect to all goods unshipped and [illegible] goods which second party has on hand unsold [illegible] of the prices of [illegible]. Such reduced prices [illegible] of the California Packing Corporation or those of first [illegible] are the lower, shall be the prices which [illegible] party shall pay first party for such goods less the [illegible] mentioned above. The prices for goods [illegible]

for shipment to foreign countries shall be the prices of the California Packing Corporation for such goods, less the discounts herein specified, provided the net prices are not [fol. 1598] less than the fair value of the fruit plus the actual cost of manufacture.

[fol. 1598] First party shall have the right after December 31st of each year of selling any goods which it has on hand and not taken by second party, at any price it may see fit, without affecting the prices paid by second party for fruit there-fore delivered to it, provided first party first offers such goods to second party.

Sight drafts are to be drawn by first party on second party at its Chicago office covering shipments, payable in New York or San Francisco Exchange ten days from date of invoice. The drafts shall be accompanied by the original bill of lading and invoice, and copy of the bill of lading and copy of the invoice shall be sent to second party's Branch House to which the particular shipment is destined.

4. Any goods remaining unshipped and subject to the orders of second party on December 31st of each year, shall be billed on that date and drafts drawn against warehouse receipts for the goods and second party agrees to pay said drafts within ten days from receipt of documents. Where goods remain in storage after December 31st of any year, the storage charges are to be the regular lawful rates, and the insurance is to be taken care of by second party. First party shall not be required to store any goods for second party for a period longer than four months after December 31st of any year.

A further discount of one-half of one per cent is to be allowed to cover claims for swells. No further allowance shall be made on this account, excepting in case of some product which may show defective processing at time of delivery, and be promptly reported for investigation. If an adjustment cannot be agreed upon the goods shall be rejected by second party and accepted by first party, and the price paid therefor plus freight charges refunded to second party.

[illegible]

1st of each year, and provided also that the change in quantity shall be in direct proportion on all of the varieties in said lists, excepting as may be hereafter agreed upon.

6. The labels required for goods covered by this contract shall be supplied and affixed by first party. On or about January 1st of each year, first party shall order sufficient labels to cover second party's requirements of canned fruits as shown in the lists above mentioned and such additional labels as second party may specify, at the lowest prices obtainable, subject to second party's approval. All such labels shall be stored by first party at their expense in suitable storage and under warehouse receipts issued to second party, and shall be covered by first party with insurance in reliable insurance companies payable to second party. Second party shall pay for all such labels as purchased, but first party shall repay second party therefor the actual cost thereof as they are used by first party in labeling the goods intended for second party under this [fol. 1599] contract, the amount thereof to be deducted by second party from the invoices covering such goods. The freight and expense of handling the additional labels above specified shall be borne by second party.

The designs for all labels shall be furnished by second party. First party shall furnish a supply of box plates for printing the heads of cases in one color in designs satisfactory to second party.

7. Should any question arise as to the quality or condition of the products delivered under this contract, owing to any error or negligence on the part of the first party, the second party agrees to notify first party promptly upon the examination of the products and a determination of their quality or condition, and first party shall be given full opportunity for the inspection of the goods, and second party shall not make any disposal of the same to the detriment of the first party. Disagreement as to any matter of fact arising out of this contract to be settled by arbitration. Buyer and seller each to select one arbitrator, who if unable to agree, shall jointly select a third. The decision and award of a majority of said arbitrators shall be binding and complied with by all parties hereto. The party against whom decision is rendered shall pay arbitration fees and expenses incurred. If decision is rendered that

seller has complied with contract, invoice, if unpaid, shall become due and payable at once. When decision is rendered against seller, arbitrators shall determine and fix the amount of allowance, which amount shall be deducted from the invoice, and the correct net amount paid immediately. If payment shall already have been made, the amount or allowance awarded shall be immediately refunded.

8. It is agreed that all goods shipped under this contract are to be strictly up to the grades specified in the lists hereinbefore referred to. They are to be of first class quality for the grades sold, sound, wholesome and prepared and packed according to the highest standards of the fruit canning industry. They are also guaranteed by first party to be not adulterated or misbranded within the meaning of the food laws of the United States, as well as the laws of any state, city or municipality, and that they are manufactured in accordance with the Federal Child Labor Act, it being understood, however, that first party is relieved from any responsibility for misbranding, in view of the fact that the labels are to be prepared in accordance with designs and specifications of second party, provided the contents of the containers shall, in all respects, conform to the labels so applied as to statements regarding the quality of the goods, weights, etc. In view of the changing character of State and Municipal regulations, it is understood, however, that where the requirements of the Federal Food and Drug Acts have been met, any variations or local peculiarities arising under the Municipal Food and Health regulations shall not relieve the buyer of contractual obligations, or be considered a breach of warranty. Second party shall have the right to have its representatives present at any or all of first party's canning factories for the purpose of inspecting the canning of fruits intended for second party under this contract.

[fol. 1600] 9. The first party shall advise the second party from time to time as to market and crop conditions and shall assist the second party in every reasonable way to further its sales.

If either party hereto finds itself unable to perform any of the obligations of this contract by reason of fires, strikes, or other causes beyond its control, the performance of the contract in such respect is to be suspended until a reason-

able opportunity is afforded to remove the cause of su
suspension, and in case governmental action material
interferes with the performance of this contract by secon
party, then and in that case it shall have the right to can
cel and terminate this agreement by giving sixty days
written notice to first party of its intention so to do, an
shall not be held liable for any loss resulting therefrom
First party shall not be liable for the failure of transpor
tation companies to furnish cars or transportation
facilities.

In case of short pack, by reason of which the seller is
unable to make full delivery of any of the grades specified
it is agreed that the deliveries are to be pro-rated.

10. The first party agrees to supply f. o. b. factory free of
cost to the second party, a reasonable supply of such sam
ples as the said second party may consider necessary for
the proper development of the business. The second party
agrees to pay freight or express charges on such samples.

11. This contract shall be subject to all the effective rules
and regulations of the Federal Food Administration, the
Federal Trade Commission and other Federal Agencies.

12. The Agreement made and entered into on the fifth
day of October, 1918, by the first party hereto and the Cali
fornia Growers Association, a non-profit, non-stock Cor
poration of the State of California, with its principal office
at Los Angeles, California, as first parties thereto and the
second party hereto as the second party hereto is hereby
cancelled so far as said contract affects the parties hereto.

13. This Agreement shall not be assigned by either party
hereto without first securing the written consent of the
other and shall be and remain in full force and effect from
the date hereof until January 1, 1929.

In witness hereof the parties hereto have caused this in
strument to be executed in duplicate by their duly autho
ized agents in this behalf and day and year first above
written.

Producers' Warehouse Company, James Madi
President. Armour and Company, Arthur Mee
Vice-President.

Compared, R. G. Spencer.

(Gov't Exhibits 7-20 follow, side folios 1601-1614)

[fol. 1601]

Gov't. Ex. 7.

Packers' Condensed Statement of Operations, Year 1929

	Big four federally inspected	Other federally inspected slaughterers	Total federally inspected slaughterers	Non-federally inspected slaughterers	Miscellaneous, including non-slaughterers	
Net Sales:						
Domestic	$2,839,026,963.18	$957,417,940.15	$3,296,444,903.33	$288,793,394.68	$425,268,899.30	$4
Export	78,256,967.44	42,871,641.54	121,128,608.98	.....	21,796,987.65	
Foreign sales of foreign slaughter	141,458,524.56	.....	141,458,524.56	.....	.....	
Miscellaneous operating revenue	.....	84,654.97	84,654.97	208,614.48	164,095.26	
Total	$2,558,742,455.18	$1,000,374,236.66	$3,559,116,691.84	$289,002,009.16	$447,229,982.22	$4
Cost of sales	2,175,486,112.21	917,429,702.36	3,092,915,814.57	258,357,906.17	366,434,113.14	3
Gross profit	$383,256,342.97	$82,944,534.30	$466,200,877.27	$30,644,102.99	$80,795,869.08	
Total operating expense	339,108,995.51	70,926,704.37	410,035,699.88	24,948,318.80	53,420,864.02	
Net operating profit	$44,147,347.46	$12,017,829.93	$56,165,177.39	$5,696,784.19	$27,375,005.06	
Other income	4,465,276.62	3,768,097.83	8,233,374.45	1,057,993.57	4,174,663.75	
Deductions from income	20,666,847.33	7,735,260.04	28,402,107.37	2,844,091.57	5,714,167.47	
Net profit	$27,945,776.75	$8,050,667.72	$35,996,444.47	$3,909,686.19	$25,835,501.34	
Number of concerns	4	211	215	372	245	

Number of Head Slaughtered

	Slaughterers					Miscellaneous			
	Federally inspected			Non-federally inspected	Total	Federally inspected	Non-fed. inspected	Total	Total all packe
	Big fo	Other	Total						
Species:									
Cattle	6,200,074	2,162,287	8,362,361	1,105,673	9,468,034	320,742	68,610	389,352	9,857,3
Calves	3,228,156	1,210,548	4,438,704	798,850	5,237,554	77,454	121,443	198,897	5,436,4
Hogs	23,542,285	20,756,978	44,299,263	4,192,604	48,491,867	991,409	175,892	1,167,301	49,659,1
Sheep	12,322,919	2,032,254	14,355,173	1,542,057	15,897,230	100,365	59,793	160,158	16,057,3
Horses	.....	.....	.....	.....	.....	91,812	.....	91,812	91,8
Total	45,293,434	26,162,067	71,455,501	7,639,184	79,094,685	1,581,782	425,738	2,007,520	81,102,2
Number of concerns	4	211	215	372	587	192	53	245	832

*This number includes 1,809,762 head slaughtered for the account of other concerns.

Gov't. Ex. 7.

Packers' Condensed Statement of Operations, Year 1929

	Big four federally inspected	Other federally inspected slaughterers	Total federally inspected slaughterers	Non-federally inspected slaughterers	Miscellaneous, including non-slaughterers	Total all packers
.....	$2,339,026,963.18	$957,417,940.15	$3,296,444,903.33	$288,793,394.68	$425,268,899.30	$4,010,507,197.31
.....	78,256,967.44	42,871,641.54	121,128,608.98	.....	21,796,987.66	142,925,596.64
of foreign slaughter.....	141,458,524.56	.....	141,458,524.56	.....	.....	141,458,524.56
operating revenue.....	.....	84,654.97	84,654.97	208,614.48	164,095.26	457,364.71
.....	$2,558,742,455.18	$1,000,374,236.66	$3,559,116,691.84	$289,002,009.16	$447,229,982.22	$4,295,348,683.22
.....	2,175,486,112.21	917,429,702.36	3,092,915,814.57	258,357,906.17	366,434,113.14	3,717,707,833.88
.....	$383,256,342.97	$82,944,534.30	$466,200,877.27	$30,644,102.99	$80,795,869.08	$577,640,849.34
pense.....	339,108,995.51	70,926,704.37	410,035,699.88	24,948,318.22	53,420,864.02	488,404,882.70
it.....	$44,147,347.46	$12,017,829.93	$56,165,177.39	$5,695,784.19	$27,375,005.06	$89,235,966.64
.....	4,465,276.62	3,768,097.83	8,233,374.45	1,057,993.57	4,174,663.75	13,466,031.77
ncome.....	20,666,847.33	7,735,260.04	28,402,107.37	2,844,091.57	5,714,167.47	36,960,366.41
ofit.....	$27,945,776.75	$8,050,667.72	$35,996,444.47	$3,909,686.19	$25,835,501.34	$65,741,632.00
s.....	4	211	215	372	245	832

Number of Head Slaughtered

	Slaughterers					Miscellaneous				
	Federally inspected			Non-federally inspected	Total	Federally inspected	Non-fed. inspected	Total	Total all packers	Per cent of big four to all packers
	Big four	Other	Total							
.....	6,200,074	2,162,287	8,362,361	1,105,673	9,468,034	320,742	68,610	389,352	9,857,386	62.90
.....	3,228,156	1,210,548	4,438,704	798,850	5,237,554	77,454	121,443	198,897	5,436,451	59.38
.....	23,542,285	20,756,978	44,299,263	4,192,604	48,491,867	991,409	175,892	1,167,301	49,659,168	47.41
.....	12,322,919	2,032,254	14,355,173	1,542,057	15,897,230	100,365	59,793	160,158	16,057,388	76.74
.....	.....	.....	.....	.....	.....	91,812	.....	91,812	91,812	.....
.....	45,293,434	26,162,067	71,455,501	7,639,184	79,094,685	1,581,782	425,738	2,007,520	81,102,205*	55.85
s.....	4	211	215	372	587	192	53	245	832	

*Includes 1,809,762 head slaughtered for the account of other concerns.

[fol. 1602]

Gov. Ex. 8

Packers' Condensed Statement of Operations, Year 1928

	Big four federally inspected	Other federally inspected slaughterers	Total federally inspected slaughterers	Non-federally inspected slaughterers	Miscellaneous, including non-slaughterers
Net sales:					
Domestic	$2,222,698,206.73	$969,217,302.72	$3,191,915,509.45	$222,037,082.79	$415,966,251.60
Export	107,053,301.25	34,319,274.22	141,372,575.47	.....	16,252,786.84
Foreign sales of foreign slaughter	110,442,609.29	.....	110,442,609.29	.....	.....
Total	$2,440,194,117.27	$1,003,536,576.94	$3,443,730,694.21	$222,037,082.79	$432,119,038.53
Cost of sales	1,981,848,366.78	913,776,712.65	2,895,625,079.43	197,178,628.46	352,657,073.55
Gross profit	$458,345,750.49	$89,759,864.29	$548,105,614.78	$24,858,454.33	$79,461,964.98
Total operating expense	411,709,546.25	73,043,676.17	484,753,222.42	20,446,579.60	55,059,120.37
Net operating profit	$46,636,204.24	$16,716,188.12	$63,352,392.36	$4,411,874.73	$24,402,844.61
Other income	4,570,667.66	3,244,631.06	7,815,298.72	816,900.97	3,576,045.75
Deductions from income	20,292,060.19	6,156,542.20	26,448,602.39	1,772,526.26	5,949,960.79
Net profit	$30,914,811.71	$13,804,276.98	$44,719,088.69	$3,456,249.44	$22,028,909.57
Number of concerns	4	189	193	274	213

Number of Head Slaughtered

	Slaughterers					Miscellaneous			
	Federally inspected			Non-federally inspected	Total	Federally inspected	Non-fed. inspected	Total	To all pac
Species:	Big four	Other	Total						
Cattle	6,301,226	2,164,890	8,466,116	865,051	9,331,167	342,574	55,332	397,906	9,729
Calves	3,278,747	1,132,614	4,411,361	423,621	4,834,982	83,902	102,544	186,446	5,021
Hogs	22,893,208	22,284,052	45,177,260	3,702,730	48,879,990	685,412	228,207	913,619	49,793
Sheep	11,642,535	1,741,969	13,384,504	1,229,615	14,614,119	95,208	51,082	146,290	14,760
Total	44,115,716	27,323,525	71,439,241	6,221,017	77,660,258	1,207,096	437,165	1,644,261	79,304
Number of concerns	4	189	193	274	467	171	42	213	680

*This number includes 1,528,316 head slaughtered for the account of other concerns. Excludes 58,397 horses.

Gov. Ex. 8

Packers' Condensed Statement of Operations, Year 1928

	Big four federally inspected	Other federally inspected slaughterers	Total federally inspected slaughterers	Non-federally inspected slaughterers	Miscellaneous, including non-slaughterers	Total all packers
ic	$2,222,698,206.73	$969,217,302.72	$3,191,915,509.45	$222,037,082.79	$415,866,251.69	$3,829,818,843.93
	107,053,301.25	34,319,274.22	141,372,575.47	.....	16,252,786.84	157,625,362.31
sales of foreign slaughter	110,442,609.29	.....	110,442,609.29	.....	.....	110,442,609.29
Total	$2,440,194,117.27	$1,003,536,576.94	$3,443,730,694.21	$222,037,082.79	$432,119,038.53	$4,097,886,815.53
	1,981,848,366.78	913,776,712.65	2,895,625,079.43	197,178,628.46	352,657,073.55	3,445,460,781.44
	$458,345,750.49	$89,759,864.29	$548,105,614.78	$24,858,454.33	$79,461,964.98	$652,426,034.09
ting expense	411,709,546.25	73,043,676.17	484,753,222.42	20,448,579.60	55,059,120.37	560,258,922.39
g profit	$46,636,204.24	$16,716,188.12	$63,352,392.36	$4,411,874.73	$24,402,844.61	$92,167,111.70
e	4,570,667.66	3,244,631.06	7,815,298.72	816,900.97	3,576,045.75	12,208,245.44
from income	20,292,060.19	6,156,542.20	26,448,602.39	1,772,526.26	5,949,980.79	34,171,109.44
Net profit	$30,914,811.71	$13,804,276.98	$44,719,088.69	$3,456,249.44	$22,028,909.57	$70,204,247.70
concerns	4	189	193	274	213	680

Number of Head Slaughtered

	Slaughterers					Miscellaneous				
	Federally inspected			Non-federally inspected	Total	Federally inspected	Non-fed. inspected	Total	Total all packers	Per cent of big four to all packers
	Big four	Other	Total							
	6,301,226	2,164,890	8,466,116	865,051	9,331,167	342,574	55,332	397,906	9,729,073	64.77
	3,278,747	1,132,614	4,411,361	423,621	4,834,982	83,902	102,544	186,446	5,021,428	65.30
	22,893,208	22,284,052	45,177,260	3,702,730	48,879,990	685,412	228,207	913,619	49,793,609	45.98
	11,642,535	1,741,969	13,384,504	1,229,615	14,614,119	95,208	51,082	146,290	14,760,409	78.88
Total	44,115,716	27,323,525	71,439,241	6,221,017	77,660,258	1,207,096	437,165	1,644,261	79,304,519*	55.63
concerns	4	189	193	274	467	171	42	213	680	

*umber includes 1,528,316 head slaughtered for the account of other concerns. Excludes 58,397 horses.

[fol. 1603]

Gov. Ex. 9

Packers Condensed Statement of Operations Year 1927

	Big four federally inspected	Other federally inspected slaughterers	Total federally inspected slaughterers	Non-federally inspected slaughterers	Miscellaneous, including non-slaughterers	
Net Sales:						
Domestic	$2,110,202,343.31	$925,683,010.84	$3,035,885,354.15	$177,778,238.59	$363,548,997.27	$
Export	107,627,498.07	35,509,215.04	143,136,713.11	.....	13,539,893.76	
Foreign Sales of Foreign Slaughter	134,107,058.58	.....	134,107,058.58	.....	.....	
Total	$2,351,936,899.96	$961,192,225.88	$3,313,129,125.84	$177,778,238.59	$377,088,891.03	$
Cost of sales	1,920,441,059.87	822,976,039.59	2,743,417,099.46	145,487,973.45	293,997,813.57	
Gross profit	$431,495,840.09	$138,216,186.29	$569,712,026.38	$32,290,265.14	$83,091,077.46	
Total operating expense	399,762,557.78	136,556,921.96	536,319,479.74	28,998,883.57	61,587,509.57	
Net operating profit	$31,733,282.31	$1,659,264.33	$33,392,546.64	$3,291,381.57	$21,503,567.89	
Other income	2,979,808.32	2,938,608.25	5,918,416.57	474,139.30	3,232,542.96	
Deductions from income	18,413,487.82	5,113,588.78	23,527,076.60	754,603.11	5,234,606.79	
Net profit	$16,299,602.81	515,716.20†	$15,783,886.61	$3,010,917.76	$19,501,504.06	
Number of concerns	4	187	191	215	205	

Number of Head Slaughtered

	Slaughterers					Miscellaneous			
	Federally inspected			Non-federally inspected	Total	Federally inspected	Non-fed. inspected	Total	Total all pack
	Big four	Other	Total						
Species:									
Cattle	7,294,760	2,262,751	9,557,511	751,284	10,308,795	249,871	62,267	312,138	10,620,9
Calves	3,333,585	1,141,812	4,475,397	432,319	4,907,716	20,459	86,592	107,051	5,014,7
Hogs	21,306,837	19,500,534	40,807,371	2,494,094	43,301,465	858,323	331,951	1,190,274	44,491,7
Sheep	11,228,991	1,771,046	13,000,037	879,562	13,879,599	20,138	32,570	52,708	13,932,3
Total	43,164,173	24,676,143	67,840,316	4,557,259	72,397,575	1,148,791	513,380	1,662,171	74,059,7
Number of concerns	4	187	191	215	406	162	43	205	611

*This number includes 1,718,535 head slaughtered for the account of other concerns. Excludes 36,314 horses.
†Red in copy.

Gov. Ex. 9

Packers Condensed Statement of Operations Year 1927

	Big four federally inspected	Other federally inspected slaughterers	Total federally inspected slaughterers	Non-federally inspected slaughterers	Miscellaneous, including non-slaughterers	Total all packers
.....	$2,110,202,343.31	$925,683,010.84	$3,035,885,354.15	$177,778,238.59	$363,548,997.27	$3,577,212,590.01
.....	107,627,498.07	35,509,215.04	143,136,713.11	.....	13,539,893.76	156,676,606.87
Sales of Foreign Slaughter	134,107,058.58	.....	134,107,058.58	.....	.....	134,107,058.58
otal	$2,351,936,899.96	$961,192,225.88	$3,313,129,125.84	$177,778,238.59	$377,088,891.03	$3,867,996,255.46
.....	1,920,441,059.87	822,976,039.59	2,743,417,099.46	145,487,973.45	293,997,813.57	3,182,902,886.48
.....	$431,495,840.09	$138,216,186.29	$569,712,026.38	$32,290,265.14	$83,091,077.46	$685,093,368.98
ng expense	399,762,557.78	136,556,921.96	536,319,479.74	28,998,883.57	61,587,509.57	626,905,872.88
g profit	$31,733,282.31	$1,659,264.33	$33,392,546.64	$3,291,381.57	$21,503,567.89	$58,187,496.10
.....	2,979,808.32	2,938,608.25	5,918,416.57	474,139.30	3,232,542.96	9,625,098.83
rom income	18,413,487.82	5,113,588.78	23,527,076.60	754,603.11	5,234,606.79	29,516,286.50
et profit	$16,299,602.81	515,716.20†	$15,783,886.61	$3,010,917.76	$19,501,504.06	$38,296,308.43
oncerns	4	187	191	215	205	611

Number of Head Slaughtered

	Slaughterers					Miscellaneous				
	Federally inspected			Non-federally inspected	Total	Federally inspected	Non-fed. inspected	Total	Total all packers	Per cent of big four to all packers
	Big four	Other	Total							
.....	7,294,760	2,262,751	9,557,511	751,284	10,308,795	249,871	62,267	312,138	10,620,933	68.68
.....	3,333,535	1,141,812	4,475,397	432,319	4,907,716	20,459	86,592	107,051	5,014,767	66.48
.....	21,306,837	19,500,534	40,807,371	2,494,094	43,301,465	858,323	331,951	1,190,274	44,491,739	47.89
.....	11,228,991	1,771,046	13,000,037	879,562	13,879,599	20,138	32,570	52,708	13,932,307	80.60
otal	43,164,173	24,676,143	67,840,316	4,557,259	72,397,575	1,148,791	513,380	1,662,171	74,059,746*	58.28
oncerns	4	187	191	215	406	162	43	205	611	

imber includes 1,718,535 head slaughtered for the account of other concerns. Excludes 36,314 horses.
copy.

[fol. 1604]

Gov. Ex. 10

Packers Condensed Statement of Operations Year 1926

	Big Four federally inspected	Other federally inspected slaughterers	Total federally inspected slaughterers	Non-federally inspected slaughterers	Miscellaneous, including non-slaughterers
Net Sales:					
Domestic	$1,935,687,507.78(a)	$1,009,883,343.51	$2,945,570,851.29	$178,166,766.47	$332,770,383.48
Export	104,466,716.16	79,823,595.56	184,290,311.72	.....	14,106,065.43
Foreign sales of foreign slaughter	94,964,260.00	.....	94,964,260.00	.....	.....
Total	$2,135,118,483.94	$1,089,706,939.07	$3,224,825,423.01	$178,166,766.47	$346,876,448.91
Cost of sales	1,760,908,544.01	927,009,560.91	2,687,918,104.92	149,146,921.41	270,814,782.44
Gross profit	$374,209,939.93	$162,697,378.16	$536,907,318.09	$29,019,845.06	$76,061,666.47
Total operating expense	323,907,455.69	149,884,500.84	473,791,956.53	26,550,068.73	56,489,267.48
Net operating profit	$50,302,484.24	$12,812,877.32	$63,115,361.56	$2,469,776.33	$19,572,398.99
Other income	2,404,656.69	3,049,245.62	5,453,902.31	463,180.25	3,186,979.53
Deductions from income	21,690,789.21	6,016,757.50	27,707,546.71	927,783.11	6,597,491.00
Net profit	$31,016,351.72(a)	$9,845,365.44	$40,861,717.16	$2,005,173.47	$16,161,887.52
Number of concerns	4	194	198	185	197

Number of Head Slaughtered

	Slaughterers					Miscellaneous			
	Federally inspected			Non-federally Inspected	Total	Federally inspected	Non-fed. inspected	Total	Total all pac
	Big Four	Other	Total						
Species:									
Cattle	6,619,112	2,682,975	9,302,087	773,762	10,075,849	149,659	39,738	189,397	10,265
Calves	3,080,634	1,226,754	4,307,388	393,313	4,700,701	179,619	16,328	195,947	4,896
Hogs	16,787,716	19,737,971	36,525,687	2,200,091	38,725,778	466,192	220,742	686,934	39,412
Sheep	9,952,070	1,817,933	11,770,003	996,736	12,766,739	144,414	87,205	231,619	12,998
Horses	.....	.....	.....	.....	.....	23,489	.....	23,489	23
Total	36,439,532	25,465,633	61,905,165	4,363,902	66,269,067	963,373	364,013	1,327,386	67,596
Number of concerns	4	194	198	185	383	168	29	197	58

(a) Change of fiscal year by two companies resulted in reports being filed covering only eight and ten months respectively.
(b) This number includes 1,675,560 head slaughtered for the account of other concerns.

Gov. Ex. 10

Packers Condensed Statement of Operations Year 1926

	Big Four federally inspected	Other federally inspected slaughterers	Total federally inspected slaughterers	Non-federally inspected slaughterers	Miscellaneous, including non-slaughterers	Total all packers
stic	$1,935,687,507.78(a)	$1,009,883,343.51	$2,945,570,851.29	$178,166,766.47	$332,770,383.48	$3,456,508,001.24
t	104,466,716.16	79,823,595.56	184,290,311.72	.....	14,106,065.43	198,396,377.15
n sales of foreign slaughter	94,964,260.00	.....	94,964,260.00	.....	.....	94,964,260.00
Total	$2,135,118,483.94	$1,089,706,939.07	$3,224,825,423.01	$178,166,766.47	$346,876,448.91	$3,749,868,638.39
es	1,760,908,544.01	927,009,560.91	2,687,918,104.92	149,146,921.41	270,814,782.44	3,107,879,808.77
t	$374,209,939.93	$162,697,378.16	$536,907,318.09	$29,019,845.06	$76,061,666.47	$641,988,829.62
ating expense	323,907,455.69	149,884,500.84	473,791,956.53	26,550,068.73	56,489,267.48	556,831,292.74
ing profit	$50,302,484.24	$12,812,877.32	$63,115,361.56	$2,469,776.33	$19,572,398.99	$85,157,536.88
me	2,404,656.69	3,049,245.62	5,453,902.31	463,180.25	3,186,979.53	9,104,062.09
from income	21,690,789.21	6,016,757.50	27,707,546.71	927,783.11	6,597,491.00	35,232,820.82
Net profit	$31,016,351.72(a)	$9,845,365.44	$40,861,717.16	$2,005,173.47	$16,161,887.52	$59,028,778.15
concerns	4	194	198	185	197	580

Number of Head Slaughtered

	Slaughterers					Miscellaneous				
	Federally inspected			Non-federally Inspected	Total	Federally inspected	Non-fed. inspected	Total	Total all packers	Per cent of Big Four to all packers
	Big Four	Other	Total							
	6,619,112	2,682,975	9,302,087	773,762	10,075,849	149,650	39,738	189,397	10,265,246	64.48
	3,080,634	1,226,754	4,307,388	393,313	4,700,701	179,619	16,328	195,947	4,896,648	62.91
	16,787,716	19,737,971	36,525,687	2,200,091	38,725,778	466,192	220,742	686,934	39,412,712	42.59
	9,952,070	1,817,933	11,770,003	996,736	12,766,739	144,414	87,205	231,619	12,998,358	76.56
	.....	.....	.....	.....	.....	23,489	.....	23,489	23,489	.....
Total	36,439,532	25,465,633	61,905,165	4,363,902	66,269,067	963,373	364,013	1,327,386	67,596,453(b)	53.91
concerns	4	194	198	185	383	168	29	197	580	

hange of fiscal year by two companies resulted in reports being filed covering only eight and ten months respectively.
his number includes 1,675,560 head slaughtered for the account of other concerns.

[fol. 1605]

Gov. Ex. 11

Packers' Condensed Statement of Operations, Year 1925

	Big Four Federally inspected	Other Federally inspected	Total Federally inspected	Non-Federally inspected
Net sales:				
Domestic	$2,037,765,499.22	$1,280,256,119.45	$3,318,021,618.67	$149,664,029.96
Export	137,738,056.10	63,329,824.20	201,067,880.30	39,455.20
Foreign sales of foreign slaughter	139,195,489.70	.....	139,195,489.70	.....
Total	$2,314,699,045.02	$1,343,585,943.65	$3,658,284,988.67	$149,703,485.16
Cost of sales	1,867,787,573.32	1,123,610,539.37	2,991,398,112.69	123,847,571.37
Gross profit	$446,911,471.70	$219,975,404.28	$666,886,875.98	$25,855,913.79
Total operating expense	389,749,690.52	185,633,020.25	575,382,710.77	23,338,285.76
Net operating profit	$57,161,781.18	$34,342,384.03	$91,504,165.21	2,517,628.03
Other income	2,760,327.10	5,226,223.76	7,986,550.86	553,269.68
Other deductions	26,044,657.24	11,143,349.64	37,188,006.88	815,359.85
Net profit	$33,877,451.04	$28,425,258.15	$62,302,709.19	$2,255,537.86
Number of concerns	4	352	356	158

Statement of Number of Head Slaughtered

	Federally inspected			Non-Federally inspected	Total all packers	Per cent of Big Four to all packers
	Big Four	Other	Total			
Species:						
Cattle	7,176,670	2,322,734	9,499,404	581,081	10,080,485	71.19
Calves	3,560,949	1,288,648	4,849,597	325,976	5,175,573	68.80
Hogs	21,267,330	21,662,537	42,929,867	1,922,162	44,852,029	47.42
Sheep	9,735,604	2,131,654	11,867,258	802,094	12,669,352	76.84
Total	41,740,553	27,405,573	69,146,126	3,631,313	72,777,439#	57.35
Number of concerns	4	352	356	158	514	

This number includes 1,537,744 custom basis. Excludes 35,
4 "Big Four"—Federally inspe
194 Federal—Inspected Slaughte
141 Non-Federal—Inspected Sla
158 Federally Inspected Non-Sla
17 Non-Federally Inspected No
514

[fol. 1606]

Gov. Ex. 12

Packers' Summary of 525 Packers Condensed Statement of Operations, Year 1924

	Big Four Federally inspected	Other Federally inspected	Total Federally inspected	Non-Federally inspected
Net sales:				
Domestic	$1,796,246,254.21	$858,600,314.41	$2,654,846,568.62	$346,910,194.56
Export	139,212,586.26	48,590,392.27	187,802,978.53	.....
Foreign sales of foreign slaughter	123,488,760.68	.....	123,488,760.68	.....
Total	$2,058,947,601.15	$907,190,706.68	$2,966,138,307.83	$346,910,194.56
Cost of sales	1,598,648,001.07	730,470,086.14	2,329,118,087.21	268,605,182.77
Gross profit	$460,299,600.08	$176,720,620.54	$637,020,220.62	$78,305,011.79
Total operating expense	397,935,827.92	148,247,296.33	546,183,124.25	63,609,683.96
Net operating profit	$62,363,772.16	$28,473,324.21	$90,837,096.37	$14,695,327.83
Other income	3,111,019.14	3,415,677.58	6,526,696.72	2,388,872.12
Deductions from income	24,684,575.77	8,210,335.06	32,894,910.83	4,664,735.87
Net profit	$40,790,215.27	$23,678,666.73	$64,468,882.26	$12,419,464.08
Number of companies	4	215	219	306

Slaughter statistics not available for year 1924.

Gov. Ex. 11.

Packers' Condensed Statement of Operations, Year 1925

	Big Four Federally inspected	Other Federally inspected	Total Federally inspected	Non-Federally inspected	Total all packers
	$2,037,765,499.22	$1,280,256,119.45	$3,318,021,618.67	$149,664,029.96	$3,467,685,648.63
	137,738,056.10	63,329,824.20	201,067,880.30	39,455.20	201,107,335.50
of foreign slaughter	139,195,489.70	.....	139,195,489.70	.....	139,195,489.70
	$2,314,699,045.02	$1,343,585,943.65	$3,658,284,988.67	$149,703,485.16	$3,807,988,473.83
	1,867,787,573.32	1,123,610,539.37	2,991,398,112.69	123,847,571.37	3,115,245,684.06
	$446,911,471.70	$219,975,404.28	$666,886,875.98	$25,855,913.79	$692,742,789.77
xpense	389,749,690.52	185,633,020.25	575,382,710.77	23,338,285.76	598,720,996.53
fit	$57,161,781.18	$34,342,384.03	$91,504,165.21	2,517,628.03	$94,021,793.24
	2,760,327.10	5,226,223.76	7,986,550.86	553,269.68	8,539,820.54
	26,044,657.24	11,143,349.64	37,188,006.88	815,359.85	38,003,366.73
	$33,877,451.04	$28,425,258.15	$62,302,709.19	$2,255,537.86	$64,558,247.05
ns	4	352	356	158	514

Statement of Number of Head Slaughtered

	Federally inspected			Non-Federally inspected	Total all packers	Per cent of Big Four to all packers
	Big Four	Other	Total			
	7,176,670	2,322,734	9,499,404	581,081	10,080,485	71.19
	3,560,949	1,288,648	4,849,597	325,976	5,175,573	68.80
	21,267,330	21,662,537	42,929,867	1,922,162	44,852,029	47.42
	9,735,604	2,131,654	11,867,258	802,094	12,669,352	76.84
	41,740,553	27,405,573	69,146,126	3,631,313	72,777,439*	57.35
ns	4	352	356	158	514	

*This number includes 1,537,744 head slaughtered on a custom basis. Excludes 35,000 horses.

4 "Big Four"—Federally inspected.
194 Federal—Inspected Slaughterers.
141 Non-Federal—Inspected Slaughterers.
158 Federally Inspected Non-Slaughterers.
17 Non-Federally Inspected Non-Slaughterers.
514

Gov. Ex. 12

Packers' Summary of 525 Packers Condensed Statement of Operations, Year 1924

	Big Four Federally inspected	Other Federally inspected	Total Federally inspected	Non-Federally inspected	Total all packers
	$1,796,246,254.21	$858,600,314.41	$2,654,846,568.62	$346,910,194.56	$3,001,756,763.18
	139,212,586.26	48,590,392.27	187,802,978.53	.....	187,802,978.53
f foreign slaughter	123,488,760.68	.....	123,488,760.68	.....	123,488,760.68
	$2,058,947,601.15	$907,190,706.68	$2,966,138,307.83	$346,910,194.56	$3,313,048,502.39
	1,598,648,001.07	730,470,086.14	2,329,118,087.21	268,605,182.77	2,597,723,269.98
	$460,299,600.08	$176,720,620.54	$637,020,220.62	$78,305,011.79	$715,325,232.41
pense	397,935,827.92	148,247,296.33	546,183,124.25	63,609,683.96	609,792,808.21
t	$62,363,772.16	$28,473,324.21	$90,837,096.37	$14,695,327.83	$105,532,424.20
come	3,111,019.14	3,415,677.58	6,526,696.72	2,388,872.12	8,915,568.84
	24,584,575.77	8,210,335.06	32,894,910.83	4,664,735.87	37,559,646.70
	$40,790,215.27	$23,678,666.73	$64,468,882.26	$12,419,464.08	$76,888,346.34
ies	4	215	219	306	525

stics not available for year 1924.

[fol. 1607]

Gov. Ex. 13.

Packers' Big Four Condensed Statement of Operations, 1929

	Wilson & Co., Inc.	Cudahy Packing Co.	Swift & Co.	Armour & Co.	Total
Net sales:					
Domestic	$262,621,665.00	$267,960,185.18	$947,663,000.00	$860,782,113.00	$2,339,026,963.18
Export	16,588,688.00	.....	30,117,375.00	31,550,904.44	78,256,967.44
Foreign from foreign slaughter	29,595,103.00	.....	.....	111,863,421.56	141,458,524.56
Total	$308,805,456.00	$267,960,185.18	$977,780,375.00	$1,004,196,439.00	$2,558,742,455.18
Cost of sales	260,492,942.69	261,912,339.20	830,137,699.44	822,943,130.88	2,175,486,112.21
Gross profit	$48,312,513.31	$6,047,845.98	$147,642,675.56	$181,253,308.12	$383,256,342.97
Total operating expense	44,040,692.08	1,169,668.37	133,388,920.00	160,509,715.06	339,108,995.51
Net operating profit	$4,271,821.2	$4,878,177.61	$14,253,755.56	$20,743,593.06	$44,147,347.46
Additions to income	.....	281,779.49	4,183,497.13	.....	4,465,276.62
Deductions from income	1,967,228.74	2,406,106.51	5,360,437.49	10,933,074.59	20,666,847.33
Net profit	$2,304,592.49	$2,753,850.59	$13,076,815.20	$9,810,518.47	$27,945,776.75

[fol. 1608]

Gov. Ex. 14

Packers' Big Four Condensed Statement of Operations, 1928

	Wilson & Co., Inc.	Cudahy Packing Co.	Swift & Co.	Armour & Co.	Total
Net sales:					
Domestic	$248,207,624.00	$251,156,371.68	$890,611,000.00	$832,723,211.05	$2,222,698,206.73
Export	47,536,824.00	.....	29,882,900.00	29,633,577.25	107,053,301.25
Foreign from foreign slaughter	.....	.....	.....	110,442,609.29	110,442,609.29
Total	$295,744,448.00	$251,156,371.68	$920,493,900.00	$972,799,397.59	$2,440,194,117.27
Cost of sales	249,367,196.76	164,909,022.44	778,119,015.23	789,453,132.35	1,981,848,366.78
Gross profit	$46,377,251.24	$86,247,349.24	$142,374,884.77	$183,346,265.24	$458,345,750.49
Total operating expense	42,255,989.71	81,418,025.55	126,746,173.00	161,289,357.99	411,709,546.25
Net operating profit	$4,121,261.53	$4,829,323.69	$15,628,711.77	$22,056,907.25	$46,636,204.24
Additions to income	.....	100,127.36	4,470,540.30	.....	4,570,667.66
Deductions from income	1,913,384.75	2,362,123.49	5,286,070.27	10,730,481.68	20,292,060.19
Net profit	$2,207,876.78	$2,567,327.56	$14,813,181.80	$11,326,425.57	$30,914,811.71

[fol. 1609]

Gov. Ex. 15

Packers Big Four Condensed Statement of Operations, 1927

	Wilson & Co., Inc.	Cudahy Packing Co.	Swift & Co.	Armour & Co.	Total
Net sales:					
Domestic	$236,784,760.25	$208,436,871.46	$847,945,000.00	$817,635,711.60	$2,110,202,343.31
Export	21,003,254.50	12,932,927.60	37,628,200.00	36,063,115.07	107,627,498.07
Foreign from foreign slaughter	26,073,617.31	.....	.....	108,033,441.27	134,107,058.58
Total	$283,861,632.06	$221,369,799.06	$885,573,200.00	$961,132,268.84	$2,351,936,899.96
Cost of sales	238,169,927.16	151,109,054.05	748,216,687.08	782,945,391.58	1,920,441,059.87
Gross profit	$45,691,704.90	$70,260,745.01	$137,356,512.92	$178,186,877.26	$431,495,840.09
Total operating expense	43,608,836.26	65,912,692.18	123,873,067.00	166,367,962.34	399,762,557.78
Net operating profit	$2,082,868.64	$4,348,052.83	$13,483,445.92	$11,818,914.92	$31,733,282.31
Additions to Income	74,265.51	102,289.72	2,803,253.09	.....	2,979,808.32
Deductions from Income	2,009,737.40	2,096,383.55	3,026,627.04	11,280,739.83	18,413,487.82
Net profit	$147,396.75	$2,353,959.00	$13,260,071.97	$538,175.09	$16,299,602.81

[fol. 1610]

Gov. Ex. 16

Packers Big Four Condensed Statement of Operations, 1926

	Wilson & Co., Inc.	Cudahy Packing Co.	Swift & Co.	Armour & Co.	Total
Net sales:					
Domestic	$185,961,250.71	$205,097,122.68	$862,895,000.00	$681,734,134.39	$1,935,687,507.78
Export	7,527,082.00	14,666,542.16	43,142,400.00	39,130,692.00	104,466,716.16
Foreign from foreign slaughter	7,180,875.00	.....	.....	87,783,385.00	94,964,260.00
Total	$200,669,207.71	$219,763,664.84	$906,037,400.00	$808,648,211.39	$2,135,118,483.94
Cost of sales	167,083,699.39	177,643,287.68	764,964,676.81	651,216,880.13	1,760,908,544.01
Gross profit	$33,585,508.32	$42,120,377.16	$141,072,723.19	$157,431,331.26	$374,209,939.93
Total operating expense	28,966,557.70	35,705,209.57	119,738,242.00	139,497,446.42	323,907,455.69
Net operating profit	$4,618,950.62	$6,415,167.59	$21,334,481.19	$17,933,884.84	$50,302,484.24
Additions to income	66,199.29	110,746.46	2,227,710.94	.....	2,404,656.69
Deductions from income	1,515,391.02	2,473,133.57	7,916,949.87	9,785,314.75	21,690,789.21
Net profit	$3,169,758.89	$4,052,780.48	$15,645,242.26	$8,148,570.09	$31,016,351.72

Note: Change of fiscal year by Wilson and Armour resulted in filing reports for only 8 and 10 months respectively.

[fol. 1611]

Gov. Ex. 17

Packers Big Four Condensed Statement of Operations, 1925

	Wilson & Co., Inc.	Cudahy Packing Co.	Swift & Co.	Armour & Co.	Total
Net sales:					
Domestic	$224,787,720.74	$207,191,905.80	$797,102,000.00	$808,683,872.68	$2,037,765,499.22
Export	18,743,696.34	16,568,010.53	51,462,000.00	50,964,349.23	137,738,056.10
Foreign from foreign slaughter	28,455,658.47	.....	.....	110,739,831.23	139,195,489.70
Total	$271,987,075.55	$223,759,916.33	$848,564,000.00	$970,388,053.14	$2,314,699,045.02
Cost of sales	227,849,776.28	145,518,746.15	711,627,224.03	782,791,826.86	1,867,787,573.32
Gross profit	$44,137,299.27	$78,241,170.18	$136,936,775.97	$187,596,226.28	$446,911,471.70
Total operating expense	40,762,888.04	73,339,240.24	115,068,241.74	160,579,320.50	389,749,690.52
Net operating profit	$3,374,411.23	$4,901,929.94	$21,868,534.23	$27,016,905.78	$57,161,781.18
Additions to income	.....	200,363.42	2,559,963.68	.....	2,760,327.10
Deductions from income	2,120,279.52	2,309,935.64	9,049,345.87	12,565,096.21	26,044,657.24
Net profit	$1,254,131.71	$2,792,357.72	$15,379,152.04	$14,451,809.57	$33,877,451.04

[fol. 1612]

Gov. Ex. 18

Packers Big Four Condensed Statement of Operations, 1924

	Wilson & Co., Inc.	Cudahy Packing Co.	Swift & Co.	Armour & Co.	Total
Net sales:					
Domestic	$189,000,000.00	$186,210,243.98	$694,154,000.00	$726,882,010.23	$1,796,246,254.21
Export	21,000,000.00	16,804,757.94	51,370,000.00	50,037,828.32	139,212,586.26
Foreign from foreign slaughter	25,000,000.00	.....	.....	98,488,760.68	123,488,760.68
Total	$235,000,000.00	$203,015,001.92	$745,524,000.00	$875,408,599.23	$2,058,947,601.15
Cost of sales	186,581,678.89	125,017,622.55	612,909,055.66	674,139,643.97	1,598,648,001.07
Gross profit	$48,418,321.11	$77,997,379.37	$132,614,944.34	$201,268,955.26	$460,299,600.08
Total operating expense	41,089,740.42	72,665,841.99	114,014,211.52	170,166,033.99	397,935,827.92
Net operating profit	$7,328,580.69	$5,331,537.38	$18,600,732.82	$31,102,921.27	$62,363,772.16
Additions to income	.....	654,966.99	2,456,052.15	.....	3,111,019.14
Deductions from income	2,326,321.02	2,634,274.44	6,930,797.23	12,793,183.08	24,684,575.77
Net profit	$5,002,259.67	$3,352,229.93	$14,125,987.74	$18,309,738.19	$40,790,215.53

[fol. 1613]

Gov. Ex. 19

Packers' Statement Showing Per Cent of Net Sales of Big Four to Totals of Federall
Slaughterers, and Packers and Stockyards Total, Years 1928 a

	1929				
Big Four:	No. of concerns	Amount	% of big four to total federally inspected	% of big four to total slaughterers	% of big four to P. & S. division
Swift & Co	1	$977,780,375.00	28.61	26.38	22.66
Armour & Co. (& Morris)	1	892,333,017.44	26.11	24.08	20.67
Wilson & Co., Inc	1	279,210,353.00	8.17	7.53	6.47
Cudahy Packing Co	1	267,960,185.18	7.84	7.23	6.21
Total (Excluding Foreign Slaughter)	4	$2,417,283,930.62	70.73	65.22	56.01
Total Other Fed. Insp'd. Slaughterers	211	1,000,289,581.69	29.27	26.99	23.18
Total Fed. Insp'd. Slaughterers	215	$3,417,573,512.31	100.00	.....	.....
Total Non-Fed. Insp'd. Slaughterers	372	288,793,394.68	.....	7.79	6.69
Total Slaughterers	587	$3,706,366,906.99	.....	100.00	.....
Total Non-Slaughterers	245	447,065,886.96	.....	.....	10.36
Total Not Included	166	162,496,307.67	.....	.....	3.76
Total Per Packers & Stockyards Division	998	$4,315,929,101.62	.....	.....	100.00

[fol. 1614]

Gov. Ex. 20

Packers' Statement Showing Per Cent of Net Sales of Big Four to Totals of Federa
Slaughterers, and Total of All Included in Tabulation, Years 192

	1927					1926		
Big Four:	No. of concerns	Amount	% of big four to total federally inspected	% of big four to total slaughterers	% of big four to P. & S. division	No. of concerns	Amount	% of bi four to t federall inspect
Swift & Co	1	$885,573,200.00	27.86	26.38	23.72	1	$906,037,400.60	28.9
Armour & Co. (& Morris)	1	853,098,827.57	26.83	25.41	22.85	1	720,864,826.39*	23.0
Wilson & Co., Inc	1	257,788,014.75	8.11	7.68	6.90	1	193,488,332.71*	6.1
Cudahy Packing Co	1	221,369,799.06	6.96	6.60	5.93	1	219,763,664.84	7.0
Total (Excluding Foreign Slaughter)	4	$2,217,829,841.38	69.76	66.07	59.40	4	$2,040,154,223.94	65.1
Total Other Fed. Insp'd. Slaughterers	187	961,192,225.88	30.24	28.63	25.74	194	1,089,706,939.07	34.8
Total Federally Insp'd. Slaughterers	191	$3,179,022,067.26	100.00	.....	.....	198	$3,129,861,163.01	100.0
Total Non-Fed. Insp'd. Slaughterers	215	177,778,238.59	.....	5.30	4.76	185	178,166,766.47	.....
Total Slaughterers	406	$3,356,800,305.85	.....	100.00	.....	383	$3,308,027,929.48	.....
Total Non-Slaughterers	205	377,088,891.03	.....	.....	10.10	197	346,876,448.91	.....
Number Packer Reports Not Included	171	(Amount Unknown)	.....	.....	.....	230	(Amount Unknown)	.....
Total of Reports Tabulated	611	$3,733,889,196.88	.....	.....	100.00	580	$3,654,904,378.39	.....

* Change

Gov. Ex. 19

ement Showing Per Cent of Net Sales of Big Four to Totals of Federally Inspected Slaughterers, Total Slaughterers, and Packers and Stockyards Total, Years 1928 and 1929

1929					1928				
No. of concerns	Amount	% of big four to total federally inspected	% of big four to total slaughterers	% of big four to P. & S. division	No. of concerns	Amount	% of big four to total federally inspected	% of big four to total slaughterers	% of big four to P. & S. division
1	$977,780,375.00	28.61	26.38	22.66	1	$920,493,900.00	27.61	25.89	22.23
1	892,333,017.44	26.11	24.08	20.67	1	862,356,788.30	25.87	24.26	20.82
1	279,210,353.00	8.17	7.53	6.47	1	295,744,448.00	8.87	8.32	7.14
1	267,960,185.18	7.84	7.23	6.21	1	251,156,371.68	7.54	7.06	6.07
4	$2,417,283,930.62	70.73	65.22	56.01	4	$2,329,751,507.98	69.89	65.53	56.26
211	1,000,289,581.69	29.27	26.99	23.18	189	1,003,536,576.94	30.11	28.23	24.23
215	$3,417,573,512.31	100.00	.....	.....	193	$3,333,288,084.92	100.00	.....	.....
372	288,793,394.68	.....	7.79	6.69	274	222,037,082.79	.....	6.24	5.36
587	$3,706,366,906.99	.....	100.00	.....	467	$3,555,325,167.71	.....	100.00	.....
245	447,065,886.96	.....	.....	10.36	213	432,119,038.53	.....	.....	10.43
166	162,496,307.67	.....	.....	3.76	72	154,000,000.00*	.....	.....	3.72
998	$4,315,929,101.62	.....	.....	100.00	752	$4,141,444,206.24	.....	.....	100.00

* Added by estimate.

Gov. Ex. 20

rs' Statement Showing Per Cent of Net Sales of Big Four to Totals of Federally Inspected Slaughterers, Total Slaughterers, and Total of All Included in Tabulation, Years 1925, 1926, and 1927

27			1926					1925			
f big o total rally ected	% of big four to total slaughterers	% of big four to P. & S. division	No. of concerns	Amount	% of big four to total federally inspected	% of big four to total slaughterers	% of big four to P. & S. division	No. of concerns	Amount	% of big four to total federally inspected	% of big four to total slaughterers	% of big four to P. & S. division
.86	26.38	23.72	1	$906,037,400.00	28.95	27.39	24.79	1	$848,564,000.00	26.58	25.51	23.13
.83	25.41	22.85	1	720,864,826.39*	23.03	21.79	19.72	1	859,648,221.91	26.93	25.85	23.43
.11	7.68	6.90	1	193,488,332.71*	6.18	5.85	5.29	1	243,531,417.08	7.63	7.32	6.64
.96	6.60	5.93	1	219,763,664.84	7.02	6.64	6.01	1	223,759,916.33	7.01	6.73	6.10
.76	66.07	59.40	4	$2,040,154,223.94	65.18	61.67	55.81	4	$2,175,503,555.32	68.15	65.41	59.30
.24	28.63	25.74	194	1,089,706,939.07	34.82	32.94	29.82	194	1,016,556,987.56	31.85	30.57	27.71
.00	.....	.....	198	$3,129,861,163.01	100.00	.....	.....	198	$3,192,060,542.88	100.00	.....	.....
...	5.30	4.76	185	178,166,766.47	.....	5.39	4.88	141	133,726,320.82	.....	4.02	3.64
..	100.00	.....	383	$3,308,027,929.48	.....	100.00	.....	339	$3,325,786,863.70	.....	100.00	.....
..	.....	10.10	197	346,876,448.91	.....	.....	9.49	175	343,006,120.43	.....	.....	9.35
..	.....	.....	230	(Amount Unknown)	.....	.....	.....	101	(Amount Unknown)	.....	.....	.....
..	.....	100.00	580	$3,654,904,378.39	.....	.....	100.00	514	$3,668,792,984.13	.....	.....	100.00

* Change of fiscal year by Armour and Wilson resulted in filing reports for only 10 and 8 months, respectively.

[fols. 1615 & 1616] NOTE FOR THE COURT

In connection with Government's Exhibits Nos. 21, 22, and 23, it was pointed out when they were introduced (R. 2582, 83) that columns headed "Net Profit" included foreign business from foreign slaughter, where such business was done, while columns headed "Net Sales" included only domestic and export business.

To correct this discrepancy, and in fulfilment of counsel's promise to the Court (R. 2629), the net sales with their respective percentages have been re-figured for each of the years in question, so as to include foreign business where the same is included in the "Profits" column.

For the Court's more convenient comparison, these figures have been attached as pasted inserts in each case alongside the column of figures for which they are substituted. The inserts are, of course, not part of the exhibits.

(Gov't Exhibits 21, 22, 23, 24, 25, 26, 27, 29, 30, and 31 follow, side folios 1617-1628)

[fols. 1617 & 1618]

Gov. Ex. 21

Packers' Statement Showing Comparison of Percentages of Sales and Profit of Big-Four Packers

	Net sales for 1929, including foreign business	Per cent of total	1929 Net sales	Per cent of total	Net profit	
Swift & Co	$977,780,375.00	27.47	$977,780,375.00	28.61	$13,076,815.20	
Armour & Co	1,004,196,439.00	28.21	892,333,017.44	26.11	9,810,518.47	(b)
Wilson & Co., Inc	308,805,456.00	8.68	279,210,353.00	8.17	2,304,592.49	(b)
Cudahy Packing Co	267,960,185.18	7.53	267,960,185.18	7.84	2,753,850.59	
Total Big-Four	$2,558,742,455.18	71.89	$2,417,283,930.62	70.73	$27,945,776.75	
Other Federally Inspected Slaughterers (211)	1,000,374,236.66	28.11	1,000,289,581.69	29.27	8,050,667.72	
Total Federally Inspected Slaughterers	$3,559,116,691.84	100.00	$3,417,573,512.3	(a) 100.00	$35,996,444.47	

(a) Foreign sales of foreign slaughter of $111,865,421.56 by Armour and $29,595,103.00 by W
cluded. None reported by others.
(b) Reports do not show segregation of profit, if any, from foreign operations.

[fols. 1619 & 1620]

Gov. Ex. 22

Packers' Statement Showing Comparison of Percentages of Sales and Profit of Big-Four Packers

	Net sales for 1927, including foreign business	Per cent of total	1927 Net sales	Per cent of total	Net profit	
Swift & Co	$885,573,200.00	26.73	$885,573,200.00	27.86	$13,260,071.97	
Armour & Co	961,132,268.84	29.02	853,098,827.57	26.83	538,175.09	(b)
Wilson & Co., Inc	283,861,632.06	8.56	257,788,014.75	8.11	147,396.75	(b)
Cudahy Packing Co	221,369,799.06	6.68	221,369,799.06	6.96	2,353,959.00	
Total Big-Four	$2,351,936,899.96	70.99	$2,217,829,841.38	69.76	$16,299,602.81	
Other Federally Inspected Slaughterers	961,192,225.88	29.01	(187) 961,192,225.88	30.24	*515,716.20	
Total Federally Inspected Slaughterers	$3,313,129,125.84	100.00	$3,179,022,067.26	(a) 100.00	$15,783,886.61	

(a) Foreign sales of foreign slaughter of $108,033,441.27 by Armour and $26,073,617.31 by W
cluded. None reported by others.
(b) Reports do not show segregation of profit, if any, from foreign operations.
* Red in copy.

[fol. 1621]

Gov. Ex. 23

Packers' Statement Showing Comparison of Percentages of Sales and Profit of Big-Four Packers to Totals of Federally Inspected Slaughterers, Year 1925

	Net sales for 1925, including foreign business	Per cent of total	Net sales	Per cent of total	Net profit	Per cent of total	
Swift & Co	$848,564,000.00	23.20	$848,564,000.00	26.58	$15,379,152.04	34.49	Swift & Co
Armour & Co	970,388,053.14	26.53	859,648,221.91	26.93	14,451,809.57 (b)	32.41	Armour &
Wilson & Co., Inc	271,987,075.55	7.43	243,531,417.08	7.63	1,254,131.71 (b)	2.81	Wilson & C
Cudahy Packing Co	223,759,916.33	6.11	223,759,916.33	7.01	2,792,357.72	6.26	Cudahy Pa
Total Big-Four	$2,314,699,045.02	63.27	$2,175,503,555.32	68.15	$33,877,451.04	75.97	
Other Federally Inspected Slaughterers (194)	1,343,585,943.65	36.73	1,016,556,987.56	31.85	10,718,080.78	24.03	Other Fede
Total Federally Inspected Slaughterers	$3,658,284,988.67	100.00	$3,192,060,542.88	(a) 100.00	$44,595,531.82	100.00	Total Fede

(a) Foreign sales of foreign slaughter of $110,739,831.23 by Armour and $28,455,658.47 by Wilson ex-
cluded. None reported by others.
(b) Reports do not show segregation of profits, if any, from foreign operations.

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Gov. Ex. 21

and Profit of Big-Four Packers to Totals of Federally Inspected Slaughterers, Years 1928 and 1929

1929					1929			
Per cent of total	Net profit	Per cent of total	Net sales for 1929, including foreign business	Per cent of total	Net sales	Per cent of total	Net profit	Per cent of total
28.61	$13,076,815.20	36.33	$920,493,900.00	26.73	$920,493,900.00	27.61	$14,813,181.80	33.12
26.11	9,810,518.47 (b)	27.25	972,799,397.59	28.25	862,356,788.30	25.87	11,326,425.57 (b)	25.33
8.17	2,304,592.49 (b)	6.40	295,744,448.00	8.59	295,744,448.00	8.87	2,207,876.78	4.94
7.84	2,753,850.59	7.65	251,156,371.68	7.30	251,156,371.68	7.54	2,387,327.56	5.74
70.73	$27,945,776.75	77.63	$2,440,194,117.27	70.87	$2,329,751,507.98	69.89	$30,914,811.71	69.13
29.27	8,050,667.72	22.37	1,003,536,576.94	29.13	(189) 1,003,536,576.94	30.11	13,804,276.98	30.87
) 100.00	$35,996,444.47	100.00	$3,443,730,694.21	100.00	$3,333,288,084.92 (a)	100.00	$44,719,088.69	100.00

Armour and $29,595,103.00 by Wilson ex-

eign operations.

(a) Foreign sales of foreign slaughter of $110,442,609.29 by Armour excluded. None reported by others.
(b) Reports do not show segregation of profit, if any, from foreign operations.

Gov. Ex. 22

and Profit of Big-Four Packers to Totals of Federally Inspected Slaughterers, Years 1927 and 1926

1927					1926			
Per cent of total	Net profit	Per cent of total	Net sales for 1926, including foreign business	Per cent of total	Net sales	Per cent of total	Net profit	Per cent of total
27.86	$13,260,071.97	84.01	$906,037,400.00	28.10	$906,037,400.00	28.95	$15,645,242.26	38.29
26.83	538,175.09 (b)	3.41	808,648,211.39	25.09	720,864,826.39	23.03	8,148,570.09 (b)	19.94
8.11	147,396.75 (b)	.94	200,669,207.71	6.22	193,488,332.71	6.18	3,169,758.89 (b)	7.76
6.96	2,353,959.00	14.91	219,763,664.84	6.81	219,763,664.84	7.02	4,052,780.48	9.92
69.76	$16,299,602.81	103.27	$2,135,118,483.94	66.22	$2,040,154,223.94	65.18	$31,016,351.72	75.91
30.24	*515,716.20	*3.27	1,089,706,939.07	33.78	(194) 1,089,706,939.07	34.82	9,845,365.44	24.09
) 100.00	$15,783,886.61	100.00	$3,224,825,423.01	100.00	$3,129,861,163.01(a)	100.00	$40,861,717.16	100 00

Armour and $26,073,617.31 by Wilson ex-

eign operations.

(a) Foreign sales of foreign slaughter of $87,783,385.00 by Armour and $7,180,875.00 by Wilson excluded. None reported by others.
(b) Reports do not show segregation of profit, if any, from foreign operations.

NOTE: Change of fiscal year by Wilson and Armour resulted in filing reports for only 8 and 10 months respectively.

Gov. Ex. 23

Statement Showing Comparison of Percentages of Sales and Profit of Big-Four Packers to Totals of Federally Inspected Year

Per cent of total		Net sales for 1924, including foreign business	Per cent of total	Net sales	Per cent of total	Net profit	Per cent of total
34.49	Swift & Co.	$745,524,000.00	25.14	$745,524,000.00	26.23	$14,125,987.74	21.91
b) 32.41	Armour & Co.	875,408,599.23	29.51	776,919,838.55	27.33	18,309,738.19 (b)	28.40
b) 2.81	Wilson & Co., Inc.	235,000,000.00	7.92	210,000,000.00	7.39	5,002,259.67 (b)	7.76
6.26	Cudahy Packing Co.	203,015,001.92	6.85	203,015,001.92	7.14	3,352,229.93	5.20
75.97		$2,058,947,601.15	69.42	$1,935,458,840.47	68.09	$40,790,215.53	63.27
24.03	Other Federally Inspected Concerns (215)	907,190,706.68	30.58	907,190,706.68	31.91	23,678,666.73	36.73
100.00	Total Federally Inspected Concerns	$2,966,138,307.83	100.00	$2,842,649,547.15 (a)	100.00	$64,468,882.26	100.00

Wilson ex-

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(a) Foreign sales of foreign slaughter of $98,488,760.68 by Armour and $25,000,000.00 by Wilson excluded. None reported by others.
(b) Reports do not show segregation of profits, if any, from foreign operations.

[fol. 1622]

Gov. Ex. 24

Packers' Statement Showing Purchases of Livestock by 832 Packers Reporting to the Bureau of Animal Industry under the Packers and Stockyards Act, Year

Purchases at Posted Stockyards

	No. of concerns	Cattle	% of total	Calves	% of total	Hogs	% of total	Sheep	% of total	Tot
Swift & Co	1	1,870,200	23.10	1,351,549	32.52	6,248,363	19.85	4,814,275	36.50	14,284
Armour & Co. (& Morris)	1	2,251,112	27.81	1,097,761	26.41	4,808,469	15.27	3,761,583	28.52	11,918
Wilson & Co., Inc	1	569,857	7.04	199,616	4.80	962,088	3.06	845,933	6.41	2,577
Cudahy Packing Co	1	667,446	8.24	254,688	6.13	1,584,719	5.03	1,425,129	10.81	3,931
All other Packers	828	2,737,295	33.81	1,252,499	30.14	17,880,851	56.79	2,342,368	17.76	24,213
Total	832	8,095,910	100.00	4,156,113	100.00	31,484,490	100.00	13,189,288	100.00	56,925

Purchases from Sources Other Than Stockyards

Swift & Co	1	115,715	11.49	115,337	13.37	3,178,568	18.25	402,044	16.27	3,811
Armour & Co. (& Morris)	1	48,514	4.82	75,987	8.81	3,460,352	19.87	367,653	14.87	3,952
Wilson & Co., Inc	1	109,918	10.92	78,396	9.09	1,654,907	9.50	295,839	11.97	2,139
Cudahy Packing Co	1	43,301	4.30	86,888	10.07	1,361,059	7.81	241,972	9.79	1,733
All other Packers	828	689,467	68.47	506,125	58.66	7,764,484	44.57	1,164,245	47.10	10,124
Total	832	1,006,915	100.00	862,733	100.00	17,419,370	100.00	2,471,753	100.00	21,760

Purchases From All Sources

Swift & Co	1	1,985,915	21.82	1,466,886	29.23	9,426,931	19.28	5,216,319	33.31	18,096
Armour & Co. (& Morris)	1	2,299,626	25.26	1,173,748	23.39	8,268,821	16.91	4,129,236	26.37	15,871
Wilson & Co., Inc	1	679,775	7.47	278,012	5.54	2,616,995	5.35	1,141,772	7.29	4,716
Cudahy Packing Co	1	710,747	7.81	341,576	6.89	2,945,778	6.02	1,667,101	10.64	5,665
All other Packers	828	3,426,762	37.64	1,758,624	35.04	25,645,335	52.44	3,506,613	22.39	34,337
Total	832	9,102,825	100.00	5,018,846	100.00	48,903,860	100.00	15,661,041	100.00	78,686

Note: The number of head, segregated as to source of purchases in the case of Swift and Wilson, was obtained from Bureau of Agricultural Economics

Gov. Ex. 24

Packers' Statement Showing Purchases of Livestock by 832 Packers Reporting to the Bureau of Animal Industry under the Packers and Stockyards Act, Year 1929

Purchases at Posted Stockyards

	No. of concerns	Cattle	% of total	Calves	% of total	Hogs	% of total	Sheep	% of total	Total	% of grand total
.....	1	1,870,200	23.10	1,351,549	32.52	6,248,363	19.85	4,814,275	36.50	14,284,387	25.09
o. (& Morris).....	1	2,251,112	27.8[illegible]	1,097,761	26.41	4,808,469	15.27	3,761,583	28.52	11,918,925	20.94
., Inc.....	1	569,857	7.0[illegible]	199,616	4.80	962,088	3.06	845,933	6.41	2,577,494	4.53
king Co.....	1	667,446	8	254,688	6.13	1,584,719	5.03	1,425,129	10.81	3,931,982	6.91
ckers.....	828	2,737,295	33.8[illegible]	1,252,499	30.14	17,880,851	56.79	2,342,368	[illegible].76	24,213,013	42.53
.....	832	8,095,910	100.00	4,156,113	100.00	31,484,490	100.00	13,189,288	100.00	56,925,801	100.00

Purchases from Sources Other Than Stockyards

.....	1	115,715	11.49	115,337	13.37	3,178,568	18.25	402,044	16.27	3,811,664	17.52
o. (& Morris).....	1	48,514	4.82	75,987	8.81	3,460,352	19.87	367,653	14.87	3,952,506	18.16
., Inc.....	1	109,918	10.92	78,396	9.09	1,654,907	9.50	295,839	11.97	2,139,060	9.83
king Co.....	1	43,301	4.30	86,888	10.07	1,361,059	7.81	241,972	9.79	1,733,220	7.96
ckers.....	828	689,467	68.47	506,125	58.66	7,764,484	44.57	1,164,245	47.10	10,124,321	46.53
.....	832	1,006,915	100.00	862,733	100.00	17,419,370	100.00	2,471,753	100.00	21,760,771	100.00

Purchases From All Sources

.....	1	1,985,915	21.82	1,466,886	29.23	9,426,931	19.28	5,216,319	33.31	18,096,051	23.00
o. (& Morris).....	1	2,299,626	25.26	1,173,748	23.39	8,268,821	16.91	4,129,236	26.37	15,871,431	20.17
., Inc.....	1	679,775	7.47	278,012	5.54	2,616,995	5.35	1,141,772	7.29	4,716,554	5.99
king Co.....	1	710,747	7.81	341,576	6.80	2,945,778	6.02	1,667,101	10.64	5,665,202	7.20
ckers.....	828	3,426,762	37.64	1,758,624	35.04	25,645,335	52.44	3,506,613	22.39	34,337,334	43.64
.....	832	9,102,825	100.00	5,018,846	100.00	48,903,860	100.00	15,661,041	100.00	78,686,572	100.00

he number of head, segregated as to source of purchases in the case of Swift and Wilson, was obtained from Bureau of Agricultural Economics

[fol. 1623] Gov. Ex. 25

Packers' Statement Showing Purchases of Livestock by 680 Packers Reporting to Bureau of Animal Industry under Packers and Stockyards Act, Year 1928

	No. of concerns	Cattle	% of total	Calves	% of total	Hogs	% of total	Sheep	% of total	Total
Purchases at Posted Stockyards										
Swift & Co	1	1,862,090	23.52	1,419,380	35.00	2,[illegible]3,771	10.27	4,622,123	37.70	10,872,
Armour & Co (& Morris)	1	2,293,106	28.97	1,118,370	27.58	5,894,966	20.39	3,611,559	29.46	12,918,
Wilson & Co., Inc	1	585,292	7.39	196,419	4.89	1,223,725	4.23	786,781	6.42	2,794,
Cudahy Packing Co	1	695,136	8.78	273,097	6.73	1,785,496	6.18	1,401,812	11.43	4,155,
All Other Packers	676	2,480,708	31.34	1,046,995	25.80	17,035,884	58.93	1,837,226	14.99	22,399,
Total	680	7,916,332	100.00	4,055,361	100.00	28,908,842	100.00	12,259,501	100.00	53,140,
Purchases at Points Other Than Posted Stockyards										
Swift & Co	1	108,997	10.49	92,796	12.31	2,641,634	15.63	427,817	19.96	3,271,
Armour & Co. (& Morris)	1	40,003	3.85	44,319	5.88	2,009,083	11.89	140,222	6.54	2,233,
Wilson & Co., Inc	1	108,997	10.40	81,498	10.81	1,650,909	9.77	300,689	14.03	2,141,
Cudahy Packing Co	1	30,488	2.94	61,271	8.13	1,168,546	6.92	168,845	7.88	1,429,
All Other Packers	676	751,483	72.32	473,916	62.87	9,425,309	55.79	1,105,798	51.59	11,756,
Total	680	1,039,068	100.00	753,800	100.00	16,895,481	100.00	2,143,371	100.00	20,831,
Total Purchases from all Sources										
wift & Co	1	1,971,087	22.01	1,512,176	31.44	5,610,405	12.25	5,049,940	35.06	14,143
Armour & Co. (& Morris)	1	2,333,109	26.05	1,162,689	24.18	7,904,049	17.26	3,751,781	26.05	15,151
Wilson & Co., Inc	1	693,389	7.75	279,917	5.82	2,874,634	6.27	1,087,470	7.55	4,935,
Cudahy Packing Co	1	725,624	8.10	334,368	6.95	2,954,042	6.45	1,570,657	10.91	5,584,
All Other Packers	676	3,232,191	36.09	1,520,011	31.61	26,461,193	57.77	2,943,024	20.43	34,156,
Total	680	8,955,400	100.00	4,809,161	100.00	45,804,323	100.00	14,402,872	100.00	73,971,

Note: The number of head, segregated as to source of purchases in the case of Swift and Wilson, was obtained from Bureau of Agricultural Economics.

Gov. Ex. 25

Packers' Statement Showing Purchases of Livestock by 680 Packers Reporting to Bureau of Animal Industry under Packers and Stockyards Act, Year 1928

Purchases at Posted Stockyards

	No. of concerns	Cattle	% of total	Calves	% of total	Hogs	% of total	Sheep	% of total	Total	% of grand total
.....	1	1,862,090	23.52	1,419,380	35.00	2,968,771	10.27	4,622,123	37.70	10,872,364	20.46
o. (& Morris).....	1	2,293,106	28.97	1,118,370	27.58	5,894,966	20.39	3,611,559	29.46	12,918,001	24.31
., Inc.....	1	585,292	7.39	198,419	4.89	1,223,725	4.23	786,781	6.42	2,794,217	5.26
king Co.....	1	695,136	8.78	273,097	6.73	1,785,496	6.18	1,401,812	11.43	4,155,541	7.82
ckers.....	676	2,480,708	31.34	1,046,095	25.80	17,695,884	58.93	1,837,226	14.99	22,399,913	42.15
.....	680	7,916,332	100.00	4,055,361	100.00	28,908,842	100.00	12,259,501	100.00	53,140,036	100.00

Purchases at Points Other Than Posted Stockyards

.....	1	108,997	10.49	92,796	12.31	2,641,634	15.63	427,817	19.96	3,271,244	15.70
o. (& Morris).....	1	40,003	3.85	44,319	5.88	2,009,083	11.89	140,222	6.54	2,233,627	10.72
., Inc.....	1	108,097	10.40	81,498	10.81	1,650,909	9.77	300,689	14.03	2,141,193	10.28
king Co.....	1	30,488	2.94	61,271	8.13	1,168,546	6.92	168,845	7.88	1,429,150	6.86
ckers.....	676	751,483	72.32	473,916	62.87	9,425,309	55.79	1,105,798	51.59	11,756,506	56.44
.....	680	1,039,068	100.00	753,800	100.00	16,895,481	100.00	2,143,371	100.00	20,831,720	100.00

Total Purchases from all Sources

.....	1	1,971,087	22.01	1,512,176	31.44	5,610,405	12.25	5,049,940	35.06	14,143,608	19.12
o. (& Morris).....	1	2,333,109	26.05	1,162,689	24.18	7,904,049	17.26	3,751,781	26.05	15,151,628	20.48
., Inc.....	1	693,389	7.75	279,917	5.82	2,874,634	6.27	1,087,470	7.55	4,935,410	6.67
king Co.....	1	725,624	8.10	334,368	6.95	2,954,042	6.45	1,570,657	10.91	5,584,691	7.55
ckers.....	676	3,232,191	36.09	1,520,011	31.61	26,461,193	57.77	2,943,024	20.43	34,156,419	46.18
.....	680	8,955,400	100.00	4,809,161	100.00	45,804,323	100.00	14,402,872	100.00	73,971,756	100.00

The number of head, segregated as to source of purchases in the case of Swift and Wilson, was obtained from Bureau of Agricultural Economics.

[fol. 1624]

Gov. Ex. 26

Packers' Statement Showing Purchases of Livestock by 611 Packers Reporting to the Bureau of Animal Industry under the Packers and Stockyards Act, Year 1

Purchases at Posted Stockyards

	No. of concerns	Cattle	% of total	Calves	% of total	Hogs	% of total	Sheep	% of total	Total
Swift & Co.	1	1,965,146	22.62	1,406,997	33.76	6,555,420	21.97	4,210,137	36.71	14,137,7
Armour & Co. (& Morris)	1	2,620,773	30.17	1,130,745	27.13	5,730,066	19.21	3,453,262	30.11	12,934,8
Wilson & Co., Inc.	1	702,329	8.09	215,782	5.18	1,034,681	3.47	748,765	6.53	2,701,5
Cudahy Packing Co.	1	762,426	8.78	295,075	7.08	1,613,217	5.41	1,301,572	11.35	3,972,2
All Other Packers	607	2,635,799	30.34	1,118,742	26.85	14,897,229	49.94	1,754,261	15.30	20,406,0
Total	611	8,686,473	100.00	4,167,341	100.00	29,830,613	100.00	11,467,997	100.00	54,152,4

Purchases at Points Other Than Posted Stockyards

Swift & Co.	1	70,306	7.71	60,637	8.66	1,828,750	13.02	486,346	25.04	2,446,03
Armour & Co. (& Morris)	1	36,988	4.06	28,125	4.01	1,695,885	12.07	82,327	4.24	1,843,32
Wilson & Co., Inc.	1	123,698	13.56	81,495	11.64	1,519,785	10.82	282,993	14.57	2,007,97
Cudahy Packing Co.	1	33,219	3.64	61,024	8.71	944,073	6.72	155,834	8.02	1,194,15
All Other Packers	607	647,814	71.03	469,068	66.98	8,058,253	57.37	934,684	48.13	10,109,81
Total	611	912,025	100.00	700,349	100.00	14,046,746	100.00	1,942,184	100.00	17,601,30

Total Purchases From All Sources

Swift & Co.	1	2,035,452	21.20	1,467,634	30.15	8,384,170	19.11	4,696,483	35.02	16,683,73
Armour & Co. (& Morris)	1	2,657,761	27.69	1,158,870	23.81	7,425,951	16.92	3,535,589	26.37	14,778,17
Wilson & Co., Inc.	1	826,027	8.61	297,277	6.11	2,554,466	5.82	1,031,758	7.69	4,709,52
Cudahy Packing Co.	1	795,645	8.29	356,099	7.31	2,557,290	5.83	1,457,406	10.87	5,166,44
All Other Packers	607	3,283,613	34.21	1,587,810	32.62	22,955,482	52.32	2,688,945	20.05	30,515,85
Total	611	9,598,498	100.00	4,867,690	100.00	43,877,359	100.00	13,410,181	100.00	71,753,7

NOTE: The number of head, segregated as to source of purchases in the case of Swift and Wilson, was obtained from Bureau of Agricultural Economics.

Gov. Ex. 26

ckers' Statement Showing Purchases of Livestock by 611 Packers Reporting to the Bureau of Animal Industry under the Packers and Stockyards Act, Year 1927

	No. of concerns	Cattle	% of total	Calves	% of total	Hogs	% of total	Sheep	% of total	Total	% of grand total
Purchases at Posted Stockyards											
.....	1	1,965,146	22.62	1,406,997	33.76	6,555,420	21.97	4,210,137	36.71	14,137,700	26.11
& Morris).....	1	2,620,773	30.17	1,130,745	27.13	5,730,036	19.21	3,453,262	30.11	12,934,816	23.89
ac.....	1	702,329	8.09	215,782	5.18	1,034,681	3.47	748,765	6.53	2,701,557	4.99
Co.....	1	762,426	8.78	295,075	7.08	1,613,217	5.41	1,301,572	11.35	3,972,290	7.33
rs.....	607	2,635,799	30.34	1,118,742	26.85	14,897,229	49.94	1,754,261	15.30	20,406,031	37.68
.....	611	8,686,473	100.00	4,167,341	100.00	29,830,613	100.00	11,467,997	100.00	54,152,424	100.00
Purchases at Points Other Than Posted Stockyards											
.....	1	70,306	7.71	60,637	8.66	1,828,750	13.02	486,346	25.04	2,446,039	13.90
& Morris).....	1	36,988	4.06	28,125	4.01	1,695,885	12.07	82,327	4.24	1,843,325	10.47
ac.....	1	123,698	13.56	81,495	11.64	1,519,785	10.82	282,993	14.57	2,007,971	11.41
Co.....	1	33,219	3.64	61,024	8.71	944,073	6.72	155,834	8.02	1,194,150	6.78
rs.....	607	647,814	71.03	469,068	66.98	8,058,253	57.37	934,684	48.13	10,109,819	57.44
.....	611	912,025	100.00	700,349	100.00	14,046,746	100.00	1,942,184	100.00	17,601,304	100.00
Total Purchases From All Sources											
.....	1	2,035,452	21.20	1,467,634	30.15	8,384,170	19.11	4,696,483	35.02	16,683,739	23.11
& Morris).....	1	2,657,761	27.69	1,158,870	23.81	7,425,951	16.92	3,535,589	26.37	14,778,171	20.60
ac.....	1	826,027	8.61	297,277	6.11	2,554,466	5.82	1,031,758	7.69	4,709,528	6.56
Co.....	1	795,645	8.29	356,099	7.31	2,557,290	5.83	1,457,406	10.87	5,166,440	7.20
rs.....	607	3,283,613	34.21	1,587,810	32.62	22,955,482	52.32	2,688,945	20.05	30,515,850	42.53
.....	611	9,598,498	100.00	4,867,690	100.00	43,877,359	100.00	13,410,181	100.00	71,753,728	100.00

number of head, segregated as to source of purchases in the case of Swift and Wilson, was obtained from Bureau of Agricultural Economics.

[fol. 1625]

Gov. Ex. 27

Packers' Statement Showing Purchases of Livestock by 580 Packers Reporting to the Bureau of Animal Industry under the Packers and Stockyards Act, Year, 192

	No. of concerns	Cattle and calves	% of total	Hogs	% of total	Sheep	% of total	Total
Purchases from Posted Stockyards								
Swift & Co.	1	3,690,810	29.00	6,151,824	22.27	4,255,082	38.94	14,097,716
Armour & Co. (& Morris)	1	3,240,243	25.46	4,627,514	16.76	2,948,375	26.98	10,816,132
Wilson & Co.	1	999,777	7.86	975,967	3.53	847,701	7.76	2,823,445
Cudahy Packing Co.	1	1,159,036	9.11	1,614,852	5.85	1,228,691	11.25	4,002,579
All Other Packers	576	3,635,363	28.57	14,246,748	51.59	1,646,270	15.07	19,528,381
Total	580	12,725,229	100.00	27,616,925	100.00	10,926,119	100.00	51,268,273
Purchases From Sources Other Than Stockyards								
Swift & Co.	1	168,929	9.84	1,322,049	10.68	438,018	20.87	1,928,996
Armour & Co. (& Morris)	1	46,906	2.73	1,154,490	9.32	20,849	1.00	1,222,254
Wilson & Co.	1	209,568	12.21	1,391,707	11.24	245,593	11.70	1,846,868
Cudahy Packing Co.	1	57,499	3.35	533,541	4.31	172,779	8.23	763,819
All Other Packers	576	1,233,737	71.87	7,980,339	64.45	1,221,264	58.20	10,435,340
Total	580	1,716,639	100.00	12,382,135	100.00	2,098,503	100.00	16,197,277
Purchases From All Sources								
Swift & Co.	1	3,859,739	26.73	7,473,873	18.68	4,693,100	36.03	16,026,712
Armour & Co. (& Morris)	1	3,287,149	22.76	5,782,013	14.46	2,969,224	22.80	12,038,386
Wilson & Co.	1	1,209,345	8.37	2,367,694	5.92	1,093,294	8.39	4,670,333
Cudahy Packing Co.	1	1,216,535	8.42	2,148,393	5.37	1,401,470	10.76	4,766,398
All Other Packers	576	4,869,100	33.72	22,227,087	55.57	2,867,534	22.02	29,963,721
Total	580	14,441,868	100.00	39,999,060	100.00	13,024,622	100.00	67,465,550

Note: The number of head, segregated as to source of purchases in the case of Swift and Wilson, was obtained from Bureau of Agricultural Economics.

Gov. Ex. 27

Packers' Statement Showing Purchases of Livestock by 580 Packers Reporting to the Bureau of Animal Industry under the Packers and Stockyards Act, Year, 1926

Purchases from Posted Stockyards

	No. of concerns	Cattle and calves	% of total	Hogs	% of total	Sheep	% of total	Total	% of grand total
.....	1	3,690,810	29.00	6,151,824	22.27	4,255,082	38.94	14,097,716	27.50
Co. (& Morris).....	1	3,240,243	25.46	4,627,514	16.76	2,948,375	26.98	10,816,132	21.09
Co.....	1	999,777	7.86	975,987	3.53	847,701	7.76	2,823,465	5.51
cking Co.....	1	1,159,036	9.11	1,614,852	5.85	1,228,691	11.25	4,002,579	7.81
Packers.....	576	3,635,363	28.57	14,246,748	51.59	1,646,270	15.07	19,528,381	38.09
al.....	580	12,725,229	100.00	27,616,925	100.00	10,926,119	100.00	51,268,273	1100.00

Purchases From Sources Other Than Stockyards

.....	1	168,929	9.84	1,322,049	10.68	438,018	20.87	1,928,996	1.91
Co. (& Morris).....	1	46,906	2.73	1,154,499	9.32	20,849	1.00	1,222,254	7.55
Co.....	1	209,568	12.21	1,391,707	11.24	245,593	11.70	1,846,868	11.40
cking Co.....	1	57,499	3.35	533,541	4.31	172,779	8.23	763,819	4.71
Packers.....	576	1,233,737	71.87	7,980,339	64.45	1,221,264	58.20	10,435,340	64.43
al.....	580	1,716,639	100.00	12,382,135	100.00	2,098,503	100.00	16,197,277	100.00

Purchases From All Sources

.....	1	3,859,739	26.73	7,473,873	18.68	4,693,100	36.03	16,026,712	23.76
Co. (& Morris).....	1	3,287,149	22.76	5,782,013	14.46	2,969,224	22.80	12,038,386	17.84
Co.....	1	1,209,345	8.37	2,367,694	5.92	1,093,294	8.39	4,670,333	6.92
cking Co.....	1	1,216,535	8.42	2,148,393	5.37	1,401,470	10.76	4,766,398	7.07
Packers.....	576	4,869,100	33.72	22,227,087	55.57	2,867,534	22.02	29,963,721	44.41
al.....	580	14,441,868	100.00	39,999,060	100.00	13,024,622	100.00	67,465,550	100.00

The number of head, segregated as to source of purchases in the case of Swift and Wilson, was obtained from Bureau of Agricultural Economics.

[fol. 1626]

Gov. Ex. 29

Packers' Consent Decree Case

Tabulations of Wholesale and Retail Prices of Lamb

Year	Lambs		Dressed lamb (WH)		Leg of lamb (R)	
	Price Cwt.	Increase or decrease	Increase or decrease	Price per pound	Price per pound	Increase or decrease
	$	¢	¢	¢	¢	¢
1913	$6.03	....	....	14.9	18.9	....
1914	6.49	.46	.3	15.2	19.5	.6
1915	7.38	.89	1.2	16.4	20.4	.9
1916	9.50	2.12	1.9	18.3	22.6	2.2
1917	13.60	4.10	5.7	24.0	28.9	6.3
1918	13.65	.05	3.	27.0	34.9	6.
1919	13.05	.60—	.7	27.7	36.5	1.6
1920	9.41	3.64—	1.4	29.1	39.3	2.8
1921	7.83	1.58—	— 8.6	20.5	33.7	—5.6
1922	10.30	2.47	5.	25.5	36.6	2.9
1923	10.54	.24	— .2	25.3	36.7	.1
1924	11.45	.91	— .2	25.1	37.1	.4
1925	11.98	.53	1.8	26.9	38.6	1.5
1926	11.36	.62—	— .7	26.2	39.0	.4
1927	11.76	.40	....	26.2	38.9	— .1
1928 Average for year	12.31	.55	.5	26.7	39.4	.5
January	11.34	.42—	— 3.2	23.0	37.4	—2.
February	11.90	.56	2.5	25.5	37.5	.1
March	12.31	.41	1.9	27.4	38.2	.7
April	12.73	.42	2.6	30.0	39.7	1.5
May	13.03	.30	1.	31.0	41.5	1.8
June	13.18	.15	.6	31.6	42.2	.7
July	12.25	.93—	— 1.3	30.3	41.1	— 1.1
August	11.88	.37—	— 2.3	28.0	40.2	— .9
September	11.97	.09	— 1.5	26.5	40.3	.1
October	11.57	.40—	— 4.5	22.0	38.8	— 1.5
November	11.50	.07—	....	22.0	38.0	— .8
December	11.41	.09—	.8	22.8	37.6	— .4
1929 Average for year	....	....	1.1	25.6	40.1	.7
January	12.23	.82	4.7	27.5	39.9	2.3
February	12.60	.37	— .7	26.8	40.3	.4
March	13.12	.52	.8	27.6	40.9	.6
April	13.36	.24	.4	28.0	41.8	.9
May	12.79	.57—	— 1.	27.0	42.1	.3
June	12.31	.48—	— 1.	26.0	41.2	— .9
July	11.90	.41—	— 1.8	27.8	41.1	— .1
August	11.46	.44—	— 2.6	25.2	40.3	— .8
September	11.08	.38—	— 1.9	23.3	39.5	— .8
October	10.97	.11—	— 2.3	21.0	38.5	— 1.
November	10.74	.23—	1.4	22.4	37.9	— .6
December	10.76	.02	1.6	24.0	37.9	....
1930 Average for year	....	....	....	....	....	....
January	11.10	.34	.6	24.6	39.5	1.6
February	10.46	.64—	— 4.1	20.5	38.1	— 1.4
March	9.63	.83—	— .7	19.8	36.6	— 1.5
April	9.02	.61—	— 1.8	18.0	35.8	— .8
May	8.92	.10—	1.6	19.6	35.9	.1
June	9.02	.10	3.2	22.8	36.5	.6
July	8.08	.94—	— 1.8	21.0	35.7	— .8
August	6.82	1.26—	— 2.5	18.5	33.7	— 2.

Note: (WH) Means Wholesale (Chicago Prices)
(R) Means Retail (U. S. Average)

*Yearly averages in this column are computed on the first five months of the year stated, and the last seven months of the preceding year.

Source: Lamb—Dept. of Agriculture Bulletin #1107 for 1930, page 870. Dept. of Agriculture, "Crops and Markets", monthly from Jan. 1930 to Sept. 1930, incl. Vol. 7, No. 1 to No. 9, incl.

Dressed Lamb: Bureau of Labor Statistics Bulletin #493, "Wholesale Prices 1913 to 1928, Page 75. Bureau of Labor Statistics Bulletin #521, "Wholesale Prices 1929, Page 22." Bureau of Labor Statistics, Wholesale Prices of Commodities, Monthly Jan. 1930 to Aug. 1930, incl.

Leg of Lamb: Bureau of Labor Statistics Bulletin #495, "Retail Prices 1913 to 1928, Pages 33-34-35." Bureau of Labor Statistics, Prices, Wholesale and Retail, Monthly Jan. 1929 to Aug. 1930.

Packers' Consent Decree Case

Tabulations of Wholesale and Retail Prices of Beef

Year	Good to choice steers		Carcass of native steers		Loins (WH)		Sirloin steak (R)		#2 Rounds (WH)		Roundsteak (R)	
	Price Cwt. $	Increase or decrease $	Increase or decrease ¢	Price per pound ¢	Price per pound ¢	Increase or decrease	Increase or decrease ¢	Price per pound ¢	Price per pound ¢	Increase or decrease ¢	Increase or decrease ¢	Price per pound ¢
1913	5.91	....	...	13.0	16.8	...	...	25.4	13.1	...	...	22.3
1914	6.24	.33	.6	13.6	17.1	.3	.5	25.9	13.3	.2	1.3	23.6
1915	6.01	.23—	— .7	12.9	17.6	.5	— .2	25.7	12.4	.9—	— .6	23.0
1916	6.48	.47	.9	13.8	19.1	1.5	1.6	27.3	13.0	.6	1.5	24.5
1917	8.17	1.69	2.9	16.7	21.5	2.4	4.2	31.5	16.2	3.2	4.5	29.0
1918	9.46	1.29	5.4	22.1	29.2	7.7	7.4	38.9	22.1	5.9	7.9	36.9
1919	9.61	.15	1.2	23.3	31.3	2.1	2.8	41.7	22.4	.3	2.	38.9
1920	8.38	1.23—	— .3	23.0	35.0	3.7	2.0	43.7	21.3	1.1—	.6	39.5
1921	5.44	2.94—	—6.7	16.3	26.5	8.5—	—4.9	38.8	14.5	6.8—	—5.1	34.4
1922	5.43	.01—	—1.3	15.0	25.5	1. —	—1.4	37.4	14.5	...	—2.1	32.3
1923	5.57	.14	.8	15.8	27.2	1.7	1.7	39.1	15.4	.9	1.2	33.5
1924	5.59	.02	1.3	17.1	26.0	1.2—	.5	39.6	15.2	.2—	.3	33.8
1925	6.26	.67	.9	18.0	26.8	.8	1.	40.6	15.8	.6	.9	34.7
1926	6.46	.20	—1.6	16.4	23.8	.3—	.7	41.3	15.6	.2—	.9	35.6
1927	7.54	1.08	2.2	18.6	29.9	6.1	1.3	42.6	18.2	2.6	1.5	37.1
1928 Average for year	9.18	1.64	4.2	22.8	32.2	2.3	5.2	47.8	21.9	3.7	4.9	42.0
January	8.48	.94	3.4	22.0	34.5	4.6	1.8	44.4	20.0	1.8	1.5	38.6
February	8.72	.24	— .8	21.2	34.4	.1—	.4	44.8	20.0	...	.3	38.9
March	8.81	.09	— .7	20.5	34.0	.4—	.1	44.9	20.2	.2	.2	39.1
April	8.92	.11	— .5	20.0	31.5	2.5—	.4	45.3	20.3	.1	.5	39.6
May	9.09	.17	.1	20.1	29.3	2.2—	.8	46.1	21.1	.8	.8	40.4
June	9.10	.01	1.1	21.2	28.0	1.3—	1.3	47.4	22.7	1.6	1.2	41.6
July	9.19	.09	1.7	22.9	28.8	.8	2.3	49.7	24.3	1.6	2.3	43.9
August	9.51	.32	1.5	24.4	34.0	5.2	1.3	51.0	25.5	1.2	1.2	45.1
September	9.96	.45	1.5	25.9	34.0	...	.8	51.8	24.3	1.2—	.7	45.8
October	9.63	.33—	— .4	25.5	33.8	.2—	—1.5	50.3	22.3	2. —	—1.2	44.6
November	9.27	.36—	— .2	25.3	32.8	1. —	—1.2	49.1	21.4	.9—	—1.2	43.4
December	8.94	.33—	— .8	24.5	32.0	.8—	— .9	48.2	20.3	1.1—	— .7	42.7
1929 Average for year	9.20	.02	.3	23.1	32.0	.2—	2.3	0.1	21.5	.4—	2.4	44.4
January	8.97	.03	— .5	24.0	32.3	.3	.2	48.4	20.0	.3—	— .1	42.6
February	8.89	.08—	—3.1	20.9	30.8	1.5—	— .6	47.8	19.1	.9—	— .4	42.2
March	9.16	.27	.2	21.1	30.0	.8—	.1	47.9	19.3	.2	...	42.2
April	9.53	.37	1.3	22.4	30.0	...	1.1	49.0	21.5	2.2	1.2	43.4
May	9.72	.19	.6	23.0	31.8	1.8	1.4	50.4	22.9	1.4	1.5	44.9
June	9.72	...	.4	23.4	31.0	.8—	.8	51.2	23.5	.6	.9	45.8
July	9.80	.08	.4	23.8	31.5	.5	2.6	53.8	24.8	1.3	1.2	47.0
August	9.62	.18—	...	23.8	35.0	3.5	—1.4	52.4	25.5	.7	...	47.0
September	9.22	.40—	— .2	23.6	34.4	.6—	— .9	51.5	23.0	2.5—	— .9	46.1
October	8.92	.30—	...	23.6	32.5	1.9—	—1.2	50.3	19.5	3.5—	—1.6	44.5
November	8.63	.29—	.4	24.0	32.0	.5—	—1.	49.3	19.6	.1	— .7	43.8
December	8.48	.15—	...	24.0	32.3	.3	— .4	48.9	19.5	.1—	— .4	43.4
1930 Average for year	....	....	....	....	....	....	....	....	....	....	....	....
January	8.69	.21	...	24.0	32.2	.1—	.1	49.0	19.9	.4	.2	43.6
February	8.68	.01—	— .4	23.6	31.0	1.2—	— .4	48.6	21.1	1.2	— .3	43.3
March	8.77	.09	.4	24.0	34.8	3.8	— .2	48.4	21.5	.4	— .3	43.0
April	8.65	.12—	— .1	23.9	31.0	3.8—	— .1	48.3	21.5	...	.1	43.1
May	8.36	.29—	—2.4	21.5	31.0	...	...	48.3	21.6	.1	— .1	43.0
June	8.20	.16—	—2.	19.5	30.5	.5—	— .4	47.9	21.5	.1—	— .3	42.7
July	7.12	1.08—	—2.1	17.4	27.4	3.1—	—1.6	46.3	19.1	2.4	—1.6	41.1
August	6.26	.86—	— .6	16.8	24.0	3.4—	—1.7	44.6	18.0	1.1	—1.7	39.4

Note: (WH) Means Wholesale (Chicago Prices)
(R) Means Retail (U. S. Average)

Source: Good to Choice Steers—Dept. of Agriculture, Bulletin #1107 for 1930, Page 831. Dept. of Agriculture, Crops and Markets, Monthly, Jan. 1930 to Sept. 1930, incl. Vol. 7, No. 1 to 9 incl.

Carcass of Native Steers—Loins—#2 Rounds—Bureau of Labor Statistics, Bulletin #493, Wholesale Prices 1913 to 1928, Page 73. Bulletin #521, Wholesale Prices 1929, Pages 22 and 57. Bureau of Labor Statistics, Wholesale Prices of Commodities, Monthly, Jan. 1930 to Aug. 1930, incl.

Sirloin Steak—Round Steak—Bureau of Labor Statistics, Bulletin #495, Retail Prices 1913 to 1928, Pages 32 and 34. Bureau of Labor Statistics, Prices, Wholesale and Retail, Monthly, Jan. 1929 to Aug. 1930, incl.

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Packers' Consent Decree Case Tabulations of Wholesale and Retail Prices of Pork

Year	Hogs		Pork loins (WH)		Pork chops (R)		Bacon strips (WH)		Bacon (R)		Cured Ham
	Price cwt.	Increase or decrease	Price per pound	Increase or decrease	Increase or decrease	Price per pound	Price per pound	Increase or decrease	Increase or decrease	Price per pound	Price per pound
	$	$	¢	¢	¢	¢	¢	¢	¢	¢	¢
1913	7.44	....	14.9	....	....	21.0	17.7	....	....	27.0	16.6
1914	7.52	.08	15.4	.5	1.	22.0	18.5	.8	.5	27.5	16.7
1915	6.56	— .96	14.3	1.1—	— 1.7	20.3	16.4	2.1—	— .6	26.9	15.3
1916	8.13	1.57	16.2	1.9	2.4	22.7	18.7	2.3	1.8	28.7	18.5
1917	13.46	5.33	24.4	8.2	9.2	31.9	31.5	12.8	12.3	41.0	25.2
1918	15.85	2.39	29.5	5.1	7.1	39.0	38.8	7.3	11.9	52.9	31.8
1919	16.02	.17	31.5	2.	3.3	42.3	34.8	4. —	2.5	55.4	34.3
1920	12.86	—3.16	30.7	.8—	....	42.3	31.5	3.3—	— 3.1	52.3	33.4
1921	7.81	—5.05	22.5	8.2—	— 7.4	34.9	21.8	9.7—	— 9.6	42.7	26.8
1922	8.32	.51	21.4	1.1—	— 1.9	33.0	23.2	1.4	— 2.9	39.8	26.4
1923	7.11	—1.21	18.0	3.4—	— 2.6	30.4	20.1	3.1—	— .7	39.1	21.2
1924	7.46	.35	19.2	1.2	.4	30.8	20.5	.4	— 1.4	37.7	20.2
1925	10.88	3.42	25.0	5.8	5.8	36.6	30.9	10.4	9.	46.7	27.1
1926	11.75	.87	27.8	2.8	2.9	39.5	30.4	.5—	3.6	50.3	30.8
1927	9.67	—2.08	24.0	3.8—	— 2.7	36.8	27.2	3.2—	— 3.1	47.2	24.6
1928 Average for year	8.60	—1.07	22.5	1.5—	— 2.	34.8	26.1	1.1—	— 3.2	44.0	22.8
January	7.81	—1.86	16.2	6.3—	— 3.5	31.3	31.6	5.5	.6	44.6	21.2
February	7.62	— .19	14.9	1.3—	— 1.8	29.5	26.8	4.8—	— .9	43.7	21.0
March	7.48	— .14	15.3	.4	— .9	28.6	22.7	4.1—	— .7	43.0	20.7
April	7.75	.27	22.8	7.5	2.7	31.3	25.0	2.3	— .1	42.9	20.1
May	8.82	1.07	24.4	1.6	4.1	35.4	26.0	1.	.2	43.1	20.6
June	8.70	— .12	22.4	2. —	— .6	34.8	27.0	1.	.1	43.2	21.5
July	9.64	.94	26.5	4.1	2.5	37.3	26.6	.4—	.7	43.9	23.6
August	10.01	.37	31.3	5.3	2.6	39.9	25.6	1. —	.9	44.8	24.9
September	11.17	1.16	33.8	2.	4.4	44.3	27.3	1.7	.6	45.4	25.4
October	9.55	—1.62	23.8	10. —	— 6.7	37.6	28.0	.7	— .1	45.3	26.0
November	8.51	—1.04	21.2	2.6—	— 1.9	35.7	25.0	3. —	— .8	44.5	24.3
December	7.93	— .58	16.8	4.4—	— 4.4	31.3	22.9	2.1—	— 1.2	43.3	24.4
1929 Average for year	9.27*	.67	24.6	2.1	2.1	36.9	26.3	.2	— .5	43.5	24.4
January	8.18	.25	18.4	1.6	1.	32.3	22.3	.6—	— .3	43.0	23.2
February	8.88	.70	19.8	1.4	.7	33.0	23.7	1.4	— .3	42.7	23.1
March	10.00	1.12	25.8	6.	2.2	35.2	25.7	2.	.2	42.9	23.8
April	10.20	.20	26.5	.7	2.	37.2	26.5	.8	.4	43.3	24.8
May	9.96	— .24	25.4	1.1—	.5	37.7	26.7	.2	.2	43.5	24.9
June	9.80	— .16	23.8	1.6—	....	37.7	26.8	.1	.3	43.6	23.4
July	10.33	.53	26.8	3.	1.8	39.5	28.3	1.5	.5	44.3	26.7
August	10.28	— .05	29.2	2.4	.6	40.1	28.7	.4	.4	44.7	27.5
September	9.53	— .75	30.3	1.1	.6	40.7	28.5	.2—	.4	44.3	28.7
October	9.10	— .43	26.9	3.4—	— 1.8	38.9	27.3	1.2—	— .6	43.7	24.2
November	8.54	— .56	21.8	5.6—	— 3.1	35.8	26.0	1.3—	— .7	43.0	21.8
December	8.53	— .01	20.3	1 —	— 1.5	34.3	24.8	1.2—	— .5	42.5	21.6
1930 Average for year	....	....	....	....	....	....	....	....	....	....	....
January	8.80	.27	21.6	1.3	1.	35.3	24.3	.5—	— .1	42.4	23.0
February	9.48	.68	22.0	.4	— .1	35.2	26.8	2.5	.2	42.6	25.3
March	9.57	.09	26.3	4.3	.9	36.1	25.8	1. —	....	42.6	24.3
April	9.17	— .40	24.5	1.8—	1.	37.1	24.0	1.8—	— .1	42.5	23.0
May	8.99	— .18	23.1	1.4—	— 1.	36.1	24.0	....	— .2	42.3	22.8
June	9.10	.11	23.3	.8—	.5	35.6	25.0	1.	....	42.3	23.1
July	8.38	— .72	23.6	1.3	— .1	36.5	25.0	....	— .3	42.0	23.4
August	8.31	.13	23.4	4.8	10.2	46.7	25.0	....	....	42.0	22.8

Norm: (WH) Means wholesale (Chicago prices.)

(R) Means retail (U. S. Average)

* For period November, 1928—October 1929 inclusive.

Source: Hogs-Dept. of Agriculture, Bulletin # 1107 for 1928, page 60; Dept. of Agriculture, Monthly Jan. 1930 to Sept. 1930, Incl., Vol. 7, No. 1 to 9 Incl.

Pork Loins—Bacon Strips—Cured Hams, Bureau of Labor Statistics, Bulletin 1936, pages 76-77. Bulletin # 501, wholesale prices, 1929, page 27 and 28; also prices of commodities, monthly Jan. 1930 to Aug. 1930, Incl.

Pork chops—Bacon—Hams—Bureau of Labor Statistics, Bulletin 1936, page 76. Prices wholesale and retail, monthly, Jan. 1913 to Aug. 1930, Incl.

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Packers' Consent Decree Case Tabulations of Wholesale and Retail Prices of Pork

	Hogs		Pork loins (WH)		Pork chops (R)		Bacon strips (WH)		Bacon (R)		Cured Hams (WH)		Ham (R)	
	Price cwt.	Increase or decrease	Price per pound	Increase or decrease	Increase or decrease	Price per pound	Price per pound	Increase or decrease	Increase or decrease	Price per pound	Price per pound	Increase or decrease	Increase or decrease	Price per pound
	$	$	¢	¢	¢	¢	¢	¢	¢	¢	¢	¢	¢	¢
.....	7.44	....	14.9	....	....	21.0	17.7	....	....	27.0	16.6	.....	....	26.9
.....	7.52	.08	15.4	.5	1.	22.0	18.5	.8	.5	27.5	16.7	.1	.4	27.3
.....	6.56	− .96	14.3	1.1−	− 1.7	20.3	16.4	2.1−	− .6	26.9	15.3	1.4−	− 1.2	26.1
.....	8.13	1.57	16.2	1.9	2.4	22.7	18.7	2.3	1.8	28.7	18.5	3.2	3.3	29.4
.....	13.46	5.33	24.4	8.2	9.2	31.9	31.5	12.8	12.3	41.0	25.2	6.7	8.8	38.2
.....	15.85	2.39	29.5	5.1	7.1	39.0	38.8	7.3	11.9	52.9	31.8	6.6	9.7	47.9
.....	16.02	.17	31.5	2.	3.3	42.3	34.8	4. −	2.5	55.4	34.3	2.5	5.5	53.4
.....	12.86	−3.16	30.7	.8−	....	42.3	31.5	3.3−	− 3.1	52.3	33.4	.9−	2.1	55.5
.....	7.81	−5.05	22.5	8.2−	− 7.4	34.9	21.8	9.7−	− 9.6	42.7	26.8	6.6−	− 6.7	48.8
.....	8.32	.51	21.4	1.1−	− 1.9	33.0	23.2	1.4	− 2.9	39.8	26.4	.4−	....	48.8
.....	7.11	−1.21	18.0	3.4−	− 2.6	30.4	20.1	3.1−	− .7	39.1	21.2	5.2−	− 3.3	45.5
.....	7.46	.35	19.2	1.2	.4	30.8	20.5	.4	− 1.4	37.7	20.2	1. −	− .2	45.3
.....	10.88	3.42	25.0	5.8	5.8	36.6	30.9	10.4	9.	46.7	27.1	6.9	7.3	52.6
.....	11.75	.87	27.8	2.8	*2.9	39.5	30.4	.5−	3.6	50.3	30.8	3.7	4.8	57.4
.....	9.67	−2.08	24.0	3.8−	− 2.7	36.8	27.2	3.2−	− 3.1	47.2	24.6	6.2−	− 2.4	55.0
ge for year.....	8.60	−1.07	22.5	1.5−	− 2.	34.8	26.1	1.1−	− 3.2	44.0	22.8	1.8−	− 2.1	52.9
y.....	7.81	−1.86	16.2	6.3−	− 3.5	31.3	31.6	5.5	.6	44.6	21.2	1.6−	− 1.2	51.7
ry.....	7.62	− .19	14.9	1.3−	− 1.8	29.5	26.8	4.8−	− .9	43.7	21.0	.2−	− .5	51.2
.....	7.48	− .14	15.3	.4	− .9	28.6	22.7	4.1−	− .7	43.0	20.7	.3−	− .7	50.5
.....	7.75	.27	22.8	7.5	2.7	31.3	25.0	2.3	− .1	42.9	20.1	.6−	.1	50.6
.....	8.82	1.07	24.4	1.6	4.1	35.4	26.0	1.	.2	43.1	20.6	.5	.6	51.2
.....	8.70	− .12	22.4	2. −	− .6	34.8	27.0	1.	.1	43.2	21.5	.9	.5	51.7
.....	9.64	.94	26.5	4.1	2.5	37.3	26.6	.4−	.7	43.9	23.6	2.1	1.7	53.4
.....	10.01	.37	31.8	5.3	2.6	39.9	25.6	1. −	.9	44.8	24.9	1.3	1.6	55.0
mber.....	11.17	1.16	33.8	2.	4.4	44.3	27.3	1.7	.6	45.4	25.4	.5	1.	56.0
r.....	9.55	−1.62	23.8	10. −	− 6.7	37.6	28.0	.7	− .1	45.3	26.0	.6	− .4	55.6
mber.....	8.51	−1.04	21.2	2.6−	− 1.9	35.7	25.0	3. −	− .8	44.5	24.3	1.7−	− 1.	54.6
mber.....	7.93	− .58	16.8	4.4−	− 4.4	31.3	22.9	2.1−	− 1.2	43.3	24.4	.1	− 1.2	53.4
ge for year.....	9.27*	.67	24.6	2.1	2.1	36.9	26.3	.2	− .5	43.5	24.4	1.6	1.8	54.8
y.....	8.18	.25	18.4	1.6	1.	32.3	22.3	.6−	− .3	43.0	23.2	1.2−	.4	53.8
ry.....	8.88	.70	19.8	1.4	.7	33.0	23.7	1.4	− .3	42.7	23.1	.1−	− .1	53.7
.....	10.00	1.12	25.8	6.	2.2	35.2	25.7	2.	.2	42.9	23.8	.7	.6	54.3
.....	10.20	.20	26.5	.7	2.	37.2	26.5	.8	.4	43.3	24.8	1.	.4	54.7
.....	9.96	− .24	25.4	1.1−	.5	37.7	26.7	.2	.2	43.5	24.9	.1	.4	55.1
.....	9.80	− .16	23.8	1.6−	....	37.7	26.8	.1	.3	43.8	25.4	.5	.2	55.3
.....	10.33	.53	26.8	3.	1.8	39.5	28.3	1.5	.5	44.3	26.7	1.3	− .2	55.1
.....	10.28	− .05	29.2	2.4	.6	40.1	28.7	.4	.4	44.7	27.5	.8	1.7	56.8
mber.....	9.53	− .75	30.3	1.1	.6	40.7	28.5	.2−	− .4	44.3	26.7	.8−	− .4	56.4
r.....	9.10	− .43	26.9	3.4−	− 1.8	38.9	27.3	1.2−	− .6	43.7	24.2	2.5−	− 1.3	55.1
mber.....	8.54	− .56	21.3	5.6−	− 3.1	35.8	26.0	1.3−	− .7	43.0	21.8	2.4−	− 1.2	53.9
mber.....	8.53	− .01	20.3	1. −	− 1.5	34.3	24.8	1.2−	− .5	42.5	21.5	.3−	− .5	53.4
ge for year.....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
y.....	8.80	.27	21.6	1.3	1.	35.3	24.3	.5−	− .1	42.4	23.9	2.4	.1	53.5
ry.....	9.48	.68	22.0	.4	− .1	35.2	26.8	2.5	.2	42.6	25.2	1.3	.5	54.0
.....	9.57	.09	26.3	4.3	.9	36.1	25.8	1. −	....	42.6	24.3	.9−	.1	54.1
.....	9.17	− .40	24.5	1.8−	1.	37.1	24.0	1.8−	− .1	42.5	22.9	1.4−	− .2	53.9
.....	8.99	− .18	23.1	1.4−	− 1.	36.1	24.0	....	− .2	42.3	22.8	.1−	.1	54.0
.....	9.10	.11	22.3	.8−	.5	36.6	25.0	1.	....	42.3	23.3	.5	....	54.0
.....	8.38	− .72	23.6	1.3	− .1	36.5	25.0	....	....	42.3	23.0	.3−	− .1	53.9
.....	8.51	.13	28.4	4.8	10.2	46.7	25.0	....	− .3	42.0	22.9	.1−	− .6	53.3

(WH) Means wholesale (Chicago prices.)

(R) Means retail (U.S. Average)

riod November, 1928—October 1929 inclusive.

Source: Hogs-Dept. of Agriculture, Bulletin #1107 for 1930, page 853. Dept. of Agriculture, Crops and Markets, Monthly Jan. 1930 to Sept. 1930, Incl., Vol. 7, No. 1 to 9 incl.

Pork Loins—Bacon Strips—Cured Hams—Bureau of Labor Statistics, Bulletin #493, wholesale prices 1913 to 1923, pages 75-77. Bulletin #521, wholesale prices 1926, pages 22 and 57. Bureau of Labor Statistics, wholesale prices of commodities, monthly Jan. 1930 to Aug. 1930, incl.

Pork chops—Bacon—Ham—Bureau of Labor Statistics, Bulletin #495, retail prices 1913 to 1928, pages 33-34-35. Prices wholesale and retail, monthly, Jan. 1930 to Aug. 1930, incl.

[fol. 1629] IN SUPREME COURT OF DISTRICT OF COLUMBIA

Eq. No. 37623

UNITED STATES OF AMERICA

vs.

SWIFT & COMPANY et al.

OPINION—Filed January 5, 1931

In 1917 by order of the President of the United States the Federal Trade Commission made an investigation of the business conducted by five large concerns engaged in the slaughter of live stock. These packers were Swift & Company, Morris & Company, Armour & Company, Wilson & Company and the Cudahy Packing Company, each of which owned or controlled numerous subsidiary companies. After the Commission had made its report, the government filed its original bill or petition in this case against these parent companies and their subsidiaries, and also against certain individuals, who were officials of these companies. This bill alleged that the defendants, whose business originally was the purchase and slaughter of live stock and the preparation and sale of its products, had not only extended these operations until they were nation wide, but had also added large dealings in foods other than meats and in many other commodities; that by various methods set out in the bill, they had built up an unlawful monopoly and control of a great portion of the food supply of the nation, were attempting to extend that monopoly; and that the result was that they artificially controlled the food supply of the nation. The bill sought an injunction to end this monopoly and the various practices by which it had been brought about.

At the same time the defendants filed their answers in which they denied all the unlawful acts set forth in the bill. Nevertheless a decree was entered on the same day with the consent of all parties, but with the provision in the decree that the consent of the defendants should not constitute any admission, nor the entry of the decree any adjudication that they had violated any law of the United States. The decree in substance enjoined the defendants, among other things:

From entering into any contract in restraint of trade or commerce among the several states, or monopolizing any part of it; from owning any interest in public stock yards, terminal railroads or market newspapers; from permit- [fol. 1630] ting the use by others of any of their distributive systems and facilities for the purchase, sale, etc. of certain commodities, such as fish, vegetables, fruits, soda-fountain supplies, molasses, etc., spices and relishes, coffee, teas, etc., nuts; flour, sugar and rice, cereals, grain; various miscellaneous articles, and grape juice, or from dealing in such commodities themselves and enjoining the individual defendants from owning voting stock in excess of 50% of the voting stock of any corporation dealing in such commodities; from conducting any retail meat markets; from owning any interest in public cold storage warehouses; from dealing in fresh milk and cream, or owning an interest in any corporation or firm dealing in them; and generally, from using any illegal trade practices.

The decree fixed the time within which the defendants should divest themselves of any interests that they might own in the different kinds of business prohibited by the decree, and further provided:

"That jurisdiction of this cause be, and is hereby, retained by this court for the purpose of taking such other action or adding at the foot of this decree such other relief, if any, as may become necessary or appropriate for the carrying out and enforcement of this decree and for the purpose of entertaining at any time hereafter any application which the parties may make with respect to this decree."

For convenience I shall hereafter refer to the government's original bill or petition as the "Bill", and to this decree as the "Decree."

In 1921, the American Wholesale Grocers Association and the National Wholesale Grocers Association were permitted to intervene for the limited purpose of being heard upon any proposal to modify the Decree.

In 1924, pursuant to a mandate of the Court of Appeals, the California Cooperative Canneries was permitted to intervene for the purpose of having the decree vacated, and on May 1, 1925 on motion of the Canneries the opera-

tion of the decree was suspended by an order of this Court until a full hearing on the merits. At the same time the Swift and Armour groups of defendants moved to vacate the Decree, on the ground that it was void, that this Court was without jurisdiction and that there were no findings of fact or admission as a basis for the Court's action. This motion was overruled, and when the case finally reached the Supreme Court of the United States, the consent decree was held to be valid (Swift & Company v. United States, 276 U. S. 311). Later the Supreme Court in United States [fol. 1631] v. California Cooperative Canneries, 279 U. S. 553 again affirmed the validity of the Decree and ordered that the intervention of the Canneries be disallowed and all obstacles to the enforcement of the Decree should be removed. On the mandate of that Court a decree was entered in this Court on July 24, 1929.

On August 10, 1929 the Armour and Swift groups filed petitions in this Court seeking certain modifications of the injunction. These petitions, however, were superseded by amended petitions filed by the same defendants on April 2, 1930.

In these amended petitions the Swift and Armour groups of defendants petition the Court for certain modifications of the Decree as stated in the Swift petition

"on account of conditions now existing and because of certain radical and revolutionary changes, which have occurred since its entry, in economic conditions, merchandising methods, statute law of the United States and the interpretations thereof, which make this decree unjust, unfair, inequitable and oppressive to those defendants, unnecessary and against the public interests."

And the petition prays

"that the Court will modify its said decree, entered under date of February 27, 1920, so that the parties defendant will be enabled, under such terms and conditions as the Court shall direct, (a) to own capital stock or other interests in public stockyards market companies or stockyard terminal railroads; (b) to use or permit others to use their distributive systems and facilities; (c) to manufacture, sell or deal in commodities specified in paragraphs

fourth and fifth of said decree; (d) to own and operate retail meat markets; (e) to own capital stock or other interests in public cold storage warehouses; (f) to engage in the fresh milk and cream business; and that these defendants be granted such other and further relief as the nature of the case may require and the Court may deem just and proper in the premises."

The other defendants have stated in open court through their counsel that while they are not seeking modification of the Decree they will consent to such modification as the Court may order, provided that it be made applicable to all the defendants.

In the first place it is contended by the interveners that the Court has no power to modify the Decree as prayed by the packer defendants upon the grounds that the Decree is final, and the Court has no power to modify a final decree after the expiration of the term at which it was entered; that it was entered by consent, and was a contract which the Court could not abrogate; that the provisions in the decree for modification could only apply when all the parties to it joined in the application. This power is, however, [fol. 1632] conceded by the government as stated in its brief:

"The decree is a judicial decree, and to be dealt with as such. The fact that it originated in a consent arrangement does not give any greater or less effect to the attitude of the Attorney General on the question of modification, than if the Decree was entered after litigation. The question whether there should be a modification is a judicial question to be decided on the law and the evidence. Arguments advanced for or against the application by any of the parties including the Government are to be weighed by the Court and given the same consideration, no more and no less, than they would if the Decree had followed litigation."

I agree with the government's position on this point, for a decree of injunction differs from a judgment at law, and while it is a final adjudication of the rights and equities of the parties at the time it is entered, the remedy by injunction is subject to modification upon equitable considerations which may thereafter arise due to subsequent

changes in conditions. And the reservations in the Decree itself evidently contemplated modifications in the different methods by which the chief ends of the Decree were to be carried out, nor were they dependent upon any joint action by all the parties to the Decree. Besides I do not think that the interveners have such a position in this case as to entitle them to prevent modifications by the Court, when the power to make them is conceded by the parties to the Decree.

There is no contention, however, that the Court has any power to go behind the Decree. This is not a proceeding to review the action of the Court in entering the Decree upon any ground of lack of jurisdiction in the Court or error in the Decree, or to raise questions that might be raised in a bill of review, or a bill to set aside the Decree for fraud, etc. The Decree is to be taken as valid and binding upon the parties, and the only ground upon which modification can be had, is that conditions have so changed since its entry as to render it inequitable to further enforce certain of its provisions.

The chief purposes of the Bill and Decree were to end the monopoly alleged to have been acquired by the defendants over certain commodities by which they controlled the supply and prices of the food supplies of the nation, and the Decree was intended to end that monopoly and to prevent any monopoly by the defendants in the future, and the specific injunctions in the Decree were means for the [fol. 1633] carrying out of that purpose.

A great deal of testimony has been taken, and there has been a sincere effort by all counsel to place before the Court every fact that might bear upon the issues. The case has been much shortened by the willingness of counsel to stipulate upon all uncontroverted facts, and in many instances upon the testimony of absent witnesses. No technical objections have been raised, and few of any kind at all, and counsel have conducted the trial of the case upon a very high plane.

It is conceded that there is today no monopoly in the meat packing industry. The parties have stipulated

"that the individuals, firms and corporations, engaged in the meat packing business in the United States, to the number shown or which may be shown by evidence in this case, owned and controlled independently of each other, are in

active competition with each other in the purchase of livestock and in the sales of their products in the various geographical localities and districts within the United States in which they respectively purchase and sell."

The defendant packers are not engaged in the raising of livestock. Of that raised on farms a considerable amount is slaughtered where raised, part for home consumption and part sold at the nearest markets. Some are sold by direct shipment to various packers and shipped to their private yards at their plants, or at concentration points maintained by packers. Many are sold at the public livestock markets through commission men, or through cooperative marketing and shipping associations. These public livestock markets are under the control of the Secretary of Agriculture under the Packers and Stockyards Act of 1921, and there are now 72 of such stockyards, which are scattered throughout the country.

The purchasers at these yards are the packers themselves, producers who buy in order to further fatten the cattle and resell them, and speculators. Much direct buying is done by the defendant packers and this is especially true of hogs, of which in the year 1929, 40% was sold directly.

Since the date of the Decree, Armour & Company has absorbed the business of the defendant, Morris & Company, but in a proceeding under the Packers & Stockyards Act, the Secretary of Agriculture in 1925 held that competition had not been materially lessened by this acquisi- [fol. 1634] tion. The testimony is uncontradicted that the four present groups of defendants are independently owned and controlled and are in active competition in the purchase and sale of livestock and the sale of meat products.

The government contends, however, that the monopoly enjoined by the Decree was not of the packing business as a whole nor of foods as a whole but was limited to a monopoly of those commodities in interstate commerce, and that a monopoly of the latter may exist although a monopoly of the former be impossible. I think that this contention is correct, and if the latter be prevented, the former will be all the more difficult, as was said by the Supreme Court in Wolff v. Industrial Court, 262 U. S. 522:

"Given uninterrupted interstate commerce, the sources of food supply in Kansas are country wide, a short supply

is not likely, and the danger from local monopolistic control less than ever."

And the same situation exists in other states.

Some 75% of the population of the United States live east of the Mississippi, and some 75% of the nation's livestock is produced west of that river, so that 50% of that livestock must be transported in interstate commerce. The importance of preserving the freedom of that commerce is evident.

The packers who are engaged in interstate commerce make annual reports to the Packers & Stockyards Administrator. These increased in number from 514 in 1925 to 832 in 1929. The business of the defendant packers decreased in amount from 1920 to 1929 as shown by the following table:

	1920	1929	% decrease
Swift	$1,052,039,000	$1,035,263,000	1.59
Armour	1,260,280,000	1,004,196,000	20.32
Wilson	370,000,000	308,805,000	16.54
Cudahy	288,802,000	267,960,000	7.21

On the other hand, among their competitors the business of the East Side Packing Company increased from $3,750,000 to $22,000,000 or 486%, Adolph Gobel from $7,000,000 to $46,000,000 or 550%, John Morrell & Company from $51,000,000 to $100,000,000, nearly 100%, and many others show increase of like nature. While the volume of business done by these competitors was not nearly so large as that done by the defendants, these increases attest the nature and extent of the competition in this business.

[fol. 1635] As further evidence that no monopoly in foods can exist, the petitioners contend that there has been a revolutionary change in the methods of distribution from the producer to the consumer, and cite the great growth in chain stores of all kinds and that the competition of these chains has done them much injury. These chain stores are of different kinds, those under one ownership such as the Great Atlantic and Pacific Tea Company commonly known as the A & P, and voluntary chains not under one ownership. The latter are well defined by Mr. Pelz:

"A voluntary chain is a group of independently owned retailers who cooperate in joint buying, joint advertising,

or in joint or group control of the operations of their retail stores, in retail management."

There are three groups or classifications of voluntary chains. The most important group is that which is sponsored by one or more wholesale grocers. A wholesale grocer will gather together a group of retailers with whom he has an understanding to the effect that the retailers will to a large degree concentrate their purchases by buying from him and, in return for that consideration, will receive from the wholesaler a certain amount of merchandizing and managing assistance, which will enable the retailer to run his store more efficiently. The second group is what is commonly called a retailer-owned wholesaler, being a regular wholesale grocery company, owning a warehouse and doing a regular wholesale grocery business but having a capital stock owned entirely or largely by retail grocers. The third group is an organization in which a number of retail grocers combine for the purpose of group buying or group advertising but without ownership of wholesale grocery facilities.

All of these have increased both in numbers and volume of business since the entry of the Decree, and the number of these which sell fresh meats has increased in even greater proportion. In 1920 there were about 15,000 chain stores with some 1,200 fresh meat departments. In 1929 the number of chain stores had increased to 60,000, of which 15,800 sold fresh meats. In 1921 the A & P had 4,638 retail stores with sales of some two hundred and thirty million dollars with no fresh meat departments. In 1929, [fol. 1636] it had 15,000 stores with sales of over one billion dollars and of these stores 3,851 handled fresh meats. Kroger & Company, operating a chain of grocery stores, increased its sales of meat from six million dollars in 1920 to over forty million dollars in 1929, and also in the latter year did a meat packing business of over ten million dollars.

Of the regular grocery chains there were five in 1920 reporting to Moody's Manual with total sales of about four hundred million dollars. In 1929 there were twelve with sales of over two billion dollars, an increase of about 400%. The retail stores of the voluntary type have increased from about 6,500 in 1920 to over 29,000 in 1929, of which the wholesaler sponsored group composed 57½%. About 35%

of the total retail grocery business of the United States is done by the regular chain stores, and about 25% by the voluntary chains, a total of 60% done by chain stores of all kinds.

There has also been a wide increase in combinations among manufacturers of food products and also a corresponding increase in horizontal integration among wholesalers of food. Instances of these are the National Dairy Corporation engaged in the dairy business and the manufacture of sausages, with 350 retail food stores; the Borden Company, engaged in the manufacture of condensed and other varieties of milk, and of milk and cream products together with the purchase and distribution of farm products; the General Foods Corporation, handling 68 differently branded products, such as cereals, cocoa, syrup, coffee, paints and varnishes, and also engaged in meat packing, controlling the Birdseye quick freezing process for preserving meats, fish, etc.

Swift & Company and Armour & Company each had sales amounting to more than one billion dollars in 1920 and also in 1929. The business done by the other two defendants was much smaller. So far as volume of business is concerned, however, only the A & P approached the volume done by Armour & Company or by Swift & Company and the nature of the business of A & P can hardly be said to compete with that of the packers.

The petitioners claim, however, that their profits were much less proportionately than those of their competitors. The testimony shows that the aggregate sales of five of the larger food corporations, other than the defendants, increased from some two hundred million dollars in 1920, [fol. 1637] to over eight hundred and sixty millions in 1929, while their earning increased from less than six millions in 1920 to nearly sixty-three millions in 1929.

The profits in 1929 of Standard Brands were nearly 31% of its sales; of General Foods, over 15%, while those of Swift & Company were 1.26% of 1%; of Armour & Company .98 of 1%. The percentage of profits on net worth of Standards Brands was over 38%, of General Foods, over 40%, of Swift & Company, 5.78%, of Armour & Company, 3.54%, of Cudahy, 6.26% and of Wilson, 3.52%. In 1920 Armour & Company ranked eighth in earnings of all domestic food corporations, and Swift & Company, tenth, and

A & P, twenty-third. In 1929, A & P ranked first, General Foods Corporation, fifth, Standard Brands, seventh, Swift & Company, tenth and Armour & Company, thirteenth.

It is clear that none of the defendant packers is making large profits as compared with these other dealers in food. The greatest profits are not made in the slaughtering of livestock but in the processing of its products, and the instances above given of those who made the largest profits, etc., their slaughtering business was small in amount, and in fact only a few did any slaughtering at all. The profitable nature of the processing business is shown by the fact that 245 non-slaughtering packers reporters to the Packers & Stockyards Administration in 1929 earned net profits of nearly twenty-six million dollars on sales of about four hundred and forty-seven millions, while the four defendants earned less than twenty-eight million dollars on sales of over two and a half billions. The real comparison, I think, should be with other packers reporting to the Packers & Stockyards Administration. The percentage of earnings on net worth of the four defendants compared with that of all concerns reporting to the Packers & Stockyards Administration from 1925 to 1929 is shown by the following table:

Year	Concerns under P. & S. administration	Swift	Armour	Wilson	Cudahy
1925	6.87	7.12	5.04	2.75	8.48
1926	5.96	7.13	3.41	5.01	10.70
1927	3.94	5.47	.19	.24	5.91
1928	7.14	6.63	4.09	3.54	6.44
1929	6.45	5.78	3.54	3.52	6.26

[fol. 1638] The percentage of profits on sales in 1929 is as follows:

	Sales	Profits	Percentage of profits to sales
Defendants	$2,585,742,455.18	$27,945,776.75	1.09
Other Packers under P. & S. Administration	1,736,606,228.04	37,795,855.25	2.17

So that under any method of comparison it does appear that the net profits of the defendants are small as compared with that of their competitors. One usual concomitant of a monopoly, vast profits in proportion to its business, does

not exist on the part of any of the defendants. And as further evidence of this it appears that the defendant, Wilson & Company, became a bankrupt in 1924, and had to be reorganized.

The petitioners lay great stress upon the buying power of these large chain stores; that while in the buying of cattle, each head bears its own price and there is no reduction in price due to the purchase in quantity; in the sale of their products, the packers are confronted with purchasers who buy in such quantities that the packers are compelled to sell to them at greatly reduced prices; that they must always be prepared to make deliveries to these purchasers, and there is the continual danger that they may lose at any time one of these customers and be left with a large stock of perishable meats on hand to be held or sold at a loss.

I think that the petitioners exaggerate these dangers. The chains do a very small part of the slaughtering business, and are themselves largely dependent upon the petitioners for their supplies. There is constant and keen competition, and I do not see that the size of the chains give them any unfair advantages over the packers. The imminent development of the quick freezing process will largely do away with the necessity of any immediate dis-[fol. 1639] position of perishable products.

There are some rather singular facts as to the profits of Swift and of Armour, which are not explained. Armour's profits have varied largely from year to year and have not followed inversely the rise of the chain stores. Swift & Company's profits have exceeded Armour & Company's upon substantially the same amount of business. Whether these variations may be due to differences in the success of their foreign business, or to difference in skill in management does not appear, and the failure to account for this largely weakens the argument of the petitioners based upon their small returns in business. I think that there has been a failure to make a full disclosure of the facts in this respect. Swift & Company has paid dividends regularly for forty-four years and from 1920 to 1929 at the rate of eight per cent and during the same time has added to its surplus and reserve over sixteen million dollars. The percentage in profits of the Cudahy Packing Company has exceeded Swift's during the same period.

On the whole, therefore, I do not think that the claim of the petitioners that the development of the chain stores has caused any great loss in their profits has been established.

[fol. 1640] The petitioners, Swift & Company and Armour & Company, together control over 54% of the output of all packers engaged in interstate commerce, and all the defendants combined control over 70% of that business so that, if the four defendant groups should act together under any agreement or combination, they would unquestionably be able to control the greater part of this interstate business and this would be the case even if Swift & Company and Armour & Company alone should combine. The government contends that this power, due to their combine size, would constitute a monopoly. The statute, of course, does not contemplate a monopoly in its original meaning—control of the entire business—but a monopoly evidently exists under the statute whenever any one person or a combination of persons acquires such a part of the business or trade in interstate commerce in any commodity, as to enable them to fix prices, stifle competition, or unreasonably restrain that trade, and makes use of that power for those purposes.

That size alone, however, is not an offense under the act was held by the Supreme Court in the Steel Case, in 251 U. S. 429, where that Court said,

"The corporation is undoubtedly of an impressive size and it takes an effort of resolution not to be affected by it or to exaggerate its influence. But we must adhere to the law and the law does not make mere size an offense, or the existence of unexerted power an offense."

But in the instant case no one of the defendant groups has anything like a control of the business. The business of each is far less than that of its combined competitors. The great weight of the testimony is that no combination or agreement in restraint of trade exists between them. There is some testimony as to certain sporadic cases of unfair practices, and fixing of prices. There were certain instances in which Swift and Armour in competition with some of their competitors engaged in the practice of following each other's trucks to ascertain the location of their customers, and paid bonuses and large prices to get them

for themselves, and they finally agreed upon an allocation of customers and fixing of prices. It does not appear that [fol. 1641] the acts of Armour and of Swift were any worse than those of their competitors, nor that the final agreements were forced upon the others by Armour and Swift, but were for the benefit of all. There is also testimony as to threats of cutting prices made in 1930 by defendant's representatives to a competitor in Texas; that Wilson, Armour and Swift were working under an agreement in Oklahoma as to minimum prices to be obtained on fresh pork; that in certain territories salesmen of Armour, Swift, Wilson and other packers since the summer of 1929 received weekly confidential lists of identical minimum prices; that during the same time Armour & Company induced the Vernon Meat Company of Vernon, Texas, to join with them and others for the observance of minimum prices to their retail customers, the prices being furnished unsigned in a plain envelope, marked "strictly private." While the evidence is conflicting on these points, I am inclined to think that these charges are substantially true, but there is no evidence that the officials in the main offices of the defendants had any knowledge of these practices but on the other hand they had forbidden any agreements or arrangements to fix prices. In fact the prices of the different defendants did not coincide. Armour and Swift, in 1929, endeavoured to put into effect what was known as a "service-at-cost" plan of paying for butterfat, by which each seller of milk paid a fixed charge for the expense of measuring the amount of butterfat in his milk, and in order to force this upon their competitors, advanced the price of butterfat, while the price of butter was not affected. They failed in their attempt, and their failure is a significant fact in determining their ability or inability to create a monopoly.

These defendants employ over 100,000 employees; Armour and Swift do each an annual business of over one billion dollars, and have innumerable competitors throughout the country. It would seem that these competitors would be anxious to produce evidence of every instance of unfair competition or practices by the defendants, but these are the only instances of which any evidence has [fol. 1642] been offered. On the contrary numerous com-

petitors have testified to the keen but fair competition existing in the meat packing business.

As to this, however, the argument is made that it is not incumbent upon the government to establish the allegations of its original petition in the same way as if the case were being heard for the first time on its merits, but that it can rely upon the Decree, and that it would be an intolerable burden to have to prove its entire case whenever a defendant sought to modify a final decree. This is true and the burden is clearly upon the defendants to show clearly that there have been such changes in conditions as to warrant a modification. But the fact remains that it was open to the interveners as well as to the government to produce testimony of other similar occurrences if such existed. The government too at the outset read a letter from the Attorney General to the President of the Senate dated July 11, 1930, in which he said:

"It is my intention to present to the court every justifiable argument and fact which tends to the conclusion that the decree should not be modified. I have no doubt that those who are interested in obtaining modification will present to the court all the evidence and argument which tend to support their position; and in this way it is believed the facts relevant to the determination of this important matter can most clearly and expeditiously be presented to the Court."

I think, therefore, that the stipulation as to competition among the packers was fully justified; that the same conclusion applies also to interstate commerce in the packing business; that there exists no real combination or agreements in restraint of interstate commerce between the defendant packers or any of them, and no monopoly nor unfair competition or agreements in restraint of trade, save in the sporadic instances mentioned, either in interstate commerce or as a whole.

The petitioning defendants claim that there has also been a radical change in their position with reference to public stockyards. That instead of controlling them as alleged in the Bill, these stockyards are now under the control of the Department of Agriculture by virtue of the Packers and Stockyards Act of 1921. This act forbids

[fol. 1643] unjust, unreasonable or discriminatory charges, regulations or practices. It requires all changes in charges to be made public, and they are made subject to the approval of the Secretary, who may himself fix the rates or charges, and who is empowered upon investigation and hearing to make awards of damages to the parties injured. This, of course, is a real change in conditions and one which necessarily would greatly limit the power of the defendants to acquire a monopoly.

The actual control by the Secretary is shown by the testimony of Dr. Frank W. Miller, Assistant Chief of the Packers and Stockyards Administration when he says:

"The packer buyer, of course, is subject to the same supervision, observation, and practically daily contact by the Bureau's supervisors on the various stockyards as are all other classes of buyers and registrants engaged in the business at the market. If there are any complaints regarding the methods of buying, regarding competition, regarding unfair tactics brought to the attention of the supervisor by the sellers on the market or by any producer or shipper, the action of these buyers is promptly investigated and all of the facts that can be obtained, and reports made to the bureau."

The terminal railroads used in connection with the stockyards are largely regulated by the Interstate Commerce Commission.

Another means alleged in the Bill by which the petitioners were enabled to further their efforts to acquire a monopoly, was that by their control of the stockyards and the adjacent facilities they had "peculiar and exclusive access to information concerning the receipts and sale of livestock, its disposition and dissemination of information to the producer." No such exclusive information exists today. The Bureau of Agricultural Economics, a branch of the Department of Agriculture, daily collects and disseminates information of the production and marketing of livestock and other agricultural products. It operates over 10,000 miles of leased wires with 70 telegraph operators at 48 separate offices. Information is sent out daily as to prices, both of sales and of bids and offers, including the estimated receipts of the following day. Market in-

[fol. 1644] formation is disseminated by radio several times during the day. There is no doubt that so far as any knowledge of prices or market conditions are concerned, petitioners have no peculiar advantage over their competitors of those who deal on the stockyards.

The Bill also charged that in addition to their numerous branch houses, by means of refrigerator and route or peddler cars the defendant packers gained advantages over their competitors by the use of these facilities, intended primarily for the sale of meats, for the distribution of other commodities with comparatively little increase in their overhead. As defined by the Interstate Commerce Commission (Swift & Company v. A. C. & Y. Ry. Co., decided July 14, 1930):

"Peddler cars are refrigerator cars owned, precooled, loaded and iced by meat packers—. Succinctly stated a peddler car is an instrumentality by which fresh meats, packing house products, and certain other commodities more or less associated with meat packing industries are shipped from the packers' operating base points, the car or cars after arrival at first destination being hauled in local freight trains, moving over scheduled routes and stopped at various stations for unloading and distribution in less than carloads to purchasers or agents of the producers."

A certain minimum weight is required by the railroad companies in each of these cars, so that where, for instance, the minimum weight required is 10,000 pounds and only 8,000 pounds are put into the car by the shipper he will nevertheless have to pay freight charges on 10,000 pounds. The result, therefore, is that where the packer has only 8,000 pounds of meat to be shipped in one of these cars and he adds enough of other commodities to bring up the weight of the whole to the minimum, while he has to pay for the total amount shipped, he is enabled to ship the additional commodities without additional cost. This, it is claimed, gives the packer whose business is large enough for him to make use of these cars, a great advantage over his competitors in other lines of business. He either pays less freight for the shipment of his meat than he would

otherwise do, or he is enabled to ship his other commodities almost without expense.

[fol. 1645] As a transportation question the Interstate Commerce Commission held on June 22, 1921 in cases in which the interveners in this case were parties, involving the use by the packer defendants of their refrigerator cars:

"Upon consideration of all the facts of record we find that the practices of defendants in permitting the meat packers to load certain articles of groceries in their peddler and branch house cars is not shown to result in undue prejudice to complainants or unduly to prefer the packers."

So far as the question of ownership of refrigerator cars by the defendants is involved, it is conceded that the supply of these cars is ample, and the private ownership of such cars has never been forbidden by law or by the Interstate Commerce Commission.

The great development in recent years in hard surfaced and in better roads everywhere has greatly diminished any advantage in the ownership or use of refrigerator cars. The automobile truck has become the chief method of delivery of food products up to distances of from seventy-five miles to as much as one hundred and fifty miles in some instances. This has, of course, increased the power of the smaller packer to compete with the larger packers.

A great change in methods of distribution of meat and meat products is being brought about too by what is known as the quick freezing process. Meat is subjected to temperatures of from 30 degrees to 40 degrees below zero (Fa-renheit), and when thus frozen, the texture and flavor of the commodity is unimpaired, and it can be preserved in this condition for months. By this method meat can be cut up by the packer and prepared in packages for the retail markets and sold in the original packages. One great advantage that the local packer now has will end, for there will be no advantage in appearance or flavor in freshly slaughtered meats. Then too the packer can more easily keep his products, and not be forced to dump them upon the market at unfavorable times. He can also, by the use of his brands, make use of the increasing public demand for articles which are so branded that the consumer can know that he has tested and found satisfactory before. The best known of these quick

freezing processes is the Birdseye owned by the General [fol. 1646] Foods Corporation and that company has had so much faith in its success as to pay twenty-two million dollars for the patent. But this is not the only quick freezing process. Mr. White, President of Armour & Company, testified, in referring to the progress that his company had made in the quick freezing process.

"The development so far made would give us ample satisfaction to the point where we could meet the competition of any food that is now prepared in any method or by any method that is now on the market, when and if we want to do it."

And Swift & Company, to meet any competition in this line, are installing apparatus for preserving meats at a much lower temperature than formerly.

Upon the whole case I am of the opinion that in many respects there have been great changes in the methods of food distribution and in the situation of those engaged in the packing industry since the date of the Decree. The extent of the relief, if any, that should be given to the petitioners is a difficult question. Certain provisions of the Decree enjoined the defendants from acts, which whether they were illegal in the strict sense or not, at the time of the Decree, were such as to give them unfair advantages over their competitors. These arose from their ownership or control of public stockyards, terminal railroads and market journals. While the Packers and Stockyards Act, the control of the terminal railroads by the Interstate Commerce Commission and the present widespread and prompt dissemination of market news has, to a considerable extent, diminished the danger arising from the petitioners' ownership of these facilities, I think that it would be unwise to modify the Decree in these respects. There are many opportunities for secret preferences in the operation of the stockyards and of the terminals, and much for propaganda and distortion of news in newspapers. It is probable too that Congress would have made the provisions of the Packers and Stockyards Act even more stringent had it not been for the Decree. And here I might mention the question of "reciprocal buying," a practice by which a shipper ships his goods over that railroad which

buys his products. I consider this an element of danger [fol. 1647] with opportunities for secret rebates and preferences, but the government admits that while this practice on the part of petitioners shows a tendency to unfair trade practices, it is not illegal and by no means confined to the petitioners. The government does not seek any additional injunction in this respect.

The use of refrigerator and peddler cars and the dealing in commodities other than meats, are not, of course, illegal in themselves, nor are they sinister in their nature nor the subjects of any secret advantages. It is simply a question whether it is inequitable to further continue the provisions of the Decree in these respects. I do not think that in order to show a right to modify the injunction in any one respect, the changes in conditions which would justify such a modification should be limited to those bearing particularly upon that one question, but the entire change of conditions in the distribution of foods, those brought about by economic changes and practices, those brought about by the changes in the conditions and practices of the petitioners, and changes in the statutes and laws must be considered, anf if by reason of those changes, any provision of the Decree can be modified without danger of monopoly, or the probability of acts in restraint of trade or unfair practices on the part of the petitioners, then the Decree should be modified.

The gravest source of danger alleged in the Bill was that with reference to the control by the defendants of the stockyards, terminal railroads and market newspapers, and the most reprehensible practices charged against the packers were those connected with their operation of those facilities and their combinations and consequent conduct in restraint of trade, fixing prices and acts of unfair competition, by means of which they were acquiring a monopoly. Today the combination no longer exists; no one alone of the packers is of sufficient size to constitute a monopoly, even if it tried to do so; their control of the public facilities mentioned is much weakened, and if the [fol. 1648] injunction as to those matters remains unchanged, they can not be made the basis of a monopoly. As to the peddler cars it is an extreme measure, unless

absolutely necessary, to prevent anyone from making an economic use of his facilities. The use by the packers of vacant places in the peddler cars and in their warehouses, not used for meats, by other commodities is sound as an economic and business proposition. In addition to this there has been a great increase in the number of combination food stores, those retailing both meats and groceries. This is due partly to the increased use of the automobile in which the housewife is enabled to carry her purchases, and she prefers to get all her food supplies at one place, due probably in part to the trouble and difficulty of parking her car. There will be quite a saving to the petitioners if the same salesman, when calling upon the retailer, could sell him both meats and other food products, or if he did not desire one, could sell him the other. With other restraints remaining in force and fortified in some instances by government inspection and control, with the increased competition of other packers, with the growth and purchasing power of the chains of all kinds, with the widespread dissemination of market news, I see no danger of a monopoly on the part of the defendants arising from the use of refrigerator cars and from dealing in commodities other than meats.

As to retailing I think the situation is different. The control by the defendants of the great amount of interstate commerce in meats and other articles from the producer to the consumer would probably result in the almost complete annihilation of the independent retail grocer, already a minority in volume of business. The petitioners admit that if they go into the retail business they must buy out many now in the business, they will necessarily compete with other retailers, now their customers, and can by the elimination of salesmen and in other ways, reduce the cost of their products to their own retail stores. Even if they should not go into the business of retailing, if they had the power to do so, there is a real danger of the misuse of that [fol. 1649] power. This is shown by the testimony of the president of Armour & Company when he said:

"The very fact that we had the privilege or opportunity of going into the retail business without restriction might remove the necessity of our ever having to do it.

Q. In what way might it do that?

A, Well, if you have somebody in a situation where he can never get up to you, you have an advantage over him, * * *

Q. Could you illustrate, by some description of a definite line of procedure, as to how the mere possession of this liberty would give you an advantage, or enable you to act advantageously without actually using it?

A. I can conceive of a situation developing around our business where we have a customer of very large proportions, with whom we are dealing in millions of dollars of business. I can conceive of his buyer and my salesman getting into a situation of antagonism one with the other, and of getting notice that that man would not buy any more products from this great house of Armour & Company, because of some little incidental thing. I could not conceive of that ever happening if that big buyer thought that there was an opportunity, because he or his people refused us his business, for us to go into the retail business. I can not conceive that he would reach that conclusion. I think he would find a way to do business with us."

Whether such complete integration in merchandizing from the producer to the consumer would produce better conditions as a whole is an economic question which is not for the Court to decide. The policy of Congress as shown by the statutes enacted by it and as interpreted by the Supreme Court is to preserve and stimulate competition, and to permit the defendants to engage in the retailing of their own products would, in my opinion, have the opposite result.

The Decree will therefore be modified so as to permit the defendant packers to manufacture, sell and deal in the commodities specified in paragraphs fourth and fifth of the Decree, and referred to in this case as unrelated lines, and to use or permit others to use the distribution facilities of the defendants in handling these unrelated lines, but in all other respects the Decree will remain in full force and effect, and the defendants required to comply promptly with the Decree, in every respect in which they have not heretofore complied with it.

Jennings Bailey, Justice.

[fol. 1650] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

In Equity. No. 37623

UNITED STATES OF AMERICA

v.

SWIFT & COMPANY ET AL.

ORDER MODIFYING THE CONSENT DECREE OF FEBRUARY 27, 1920—Filed January 31, 1931

This cause came on to be further heard upon the petitions of the defendants Swift and Company and Armour and Company for modification in specified particulars of the decree entered in this cause on February 27, 1920, and the answer to said petitions filed by the plaintiff, the United States of America, and the American Wholesale Grocers Association and the National Wholesale Grocers Association, interveners herein; thereupon evidence, oral and documentary, was taken in open court and the case was submitted on oral arguments and written briefs by the petitioning defendants, the plaintiff and the interveners; and having been considered by the Court and the Court having concluded that the evidence establishes that conditions have so changed since the entry of the said decree as to render it inequitable further to enforce certain of its provisions and that justice and equity warrant and require the modifying of said decree in part, and all of the defendants by their counsel having appeared in open court and consented to such modification of said decree as this Court after hearing shall find just and equitable, it is this 31st day of January, 1931;

Ordered, adjudged, and decreed:

First. That paragraph Third of said consent decree be and hereby is amended to read as follows:

"Third. That the corporation defendants and each of them and their successors and assigns be, and they are hereby, perpetually enjoined and restrained from, either directly or indirectly, by themselves or through their of-
[fol. 1651] ficers, directors, agents or servants, through any device or arrangement whatsoever, using or permitting any other person, firm or corporation to use their distributive system and facilities, including their branch houses, route cars, and auto trucks, or any of them, in any manner

for the sale or distribution at retail of any of the articles or commodities named and described in paragraph fourth of this decree, except in so far as permitted therein."

Second. That the introductory portion of paragraph Fourth of said consent decree, preceding the enumeration of commodities, be and is hereby amended to read as follows:

"Fourth. That the corporation defendants and each of them be, and they are hereby, perpetually enjoined and restrained from, in the United States, either directly or indirectly, by themselves or through their officers, directors, agents or servants, engaging in or carrying on, the business of selling or distributing at retail, any of the following products or commodities, except when so handled; (1) in the operation of their restaurants, laundries, plant stores, or other conveniences primarily for the benefit of their employees; or (2) in combination with meats, to wit:";

that the enumeration of commodities set fourth in sub-sections 1 to 13 of said paragraph Fourth be and remain the same as heretofore provided; but that the closing paragraph of said paragraph Fourth be and is hereby amended to read as follows:

"And the corporation defendants and each of them be, and they are hereby further perpetually enjoined and restrained from owning, either directly or indirectly, severally or jointly, by themselves, or through their officers, directors, agents, or servants, any capital stock or other interest whatsoever in any corporation, firm or association, except common carriers, which is in the business, in the United States, of selling or distributing at retail any of the above-described products or commodities."

Third. That paragraph Fifth of said consent decree be and the same is hereby amended, so that the words at the end of the introductory portion thereof and just preceding the enumeration of commodities, which now read— "in the business of manufacturing, jobbing, selling, transporting, or distributing, or otherwise dealing in any of the following products or commodities, to wit:" shall read instead "in the business of selling or distributing at retail any of the following products or commodities, to wit:";

that the specification of commodities following in subparagraphs 1 to 10 thereafter be and remain the same as [fol. 1652] heretofore provided; but that the concluding portion of said paragraph Fifth, beginning with the words "And further perpetually enjoining," be and the same is hereby vacated in its entirety;

Fourth. That paragraph Twelfth of said consent decree be and the same is hereby vacated in its entirety;

Fifth. That paragraph Seventeenth of said consent decree be and the same is hereby amended, by striking therefrom the following words:

"or incorporations, firms, or associations manufacturing, jobbing, selling, transporting, except as common carriers, distributing or otherwise dealing in any of the commodities mentioned and described in paragraphs fourth and fifth of this decree, and all leases, contracts, or arrangements or other disposals made by any of the defendants since the first of October, nineteen hundred and nineteen, affecting their delivery systems."

Sixth. That as so amended, said consent decree of February 27, 1920, shall be and remain in full force and effect;

Seventh. That defendants be and are hereby given an extension of time of one year from the date hereof in which to complete their disposition, in accordance with the terms of said consent decree, of any properties or interests now held contrary to the provisions of said decree;

Eighth. That jurisdiction of this cause be and is hereby further retained by this Court for the purposes provided in paragraph Eighteenth of said consent decree.

By the Court:

Jennings Bailey, Justice.

[fol. 1653] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

ORDER CORRECTING DECREE OF JANUARY 31, 1931—Filed February 26, 1931

This cause came on for further hearing on application by the United States to correct an error in the final decree of this Court entered January 31, 1931; and it appearing

to the Court that such an error was inadvertently made in drafting the language of paragraph Second of said decree, and all the parties by their counsel having consented to the correction thereof, it is this 26 day of February, 1931, hereby

Ordered that the words "sub-sections 1 to 13 of said paragraph Fourth," appearing near the middle of Paragraph Second of said decree be corrected to read, "sub-sections 1 to 14 of said paragraph Fourth."

Jennings Bailey, Justice.

Consented to by:

Armour and Company et al., Swift and Company et al. Frank J. Hogan, Counsel. N. T. H. American Wholesale Grocers Association. Edgar Watkins, Counsel. National Wholesale Grocers Association. Breed, Abbott, Morgan, Counsel.

[fol. 1654] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

PETITIONING DEFENDANTS' REQUESTS FOR I. FINDINGS OF FACT; II. CONCLUSIONS OF LAW—Filed Dec. 4, 1931, as of Jan. 31, 1931

I

Requests for Findings of Fact

Defendants Swift & Company, and their associates, and Armour & Company, and their associates, petitioners herein for modification of this Court's decree entered in this cause February 27, 1920, respectfully request the Court to make the following findings of fact:

[fol. 1655] 1. That defendants Swift & Company and its subsidiaries, Armour & Company and its subsidiaries, Cudahy Packing Company and its subsidiaries, and Wilson & Company and its subsidiaries, considered as four entities, are each owned and controlled independently of each other.

2. That there now exists in the meat packing industry in the United States active competition among a large

number of individuals, firms and corporations, including defendants herein, in the purchase of live stock and in the selling of the products thereof.

3. That there exist no contracts, agreements, understandings, combinations or conspiracies among the defendants, or between any two of them, in restraint of trade or commerce among the States; no fixing of prices to be paid by them for live stock, raw materials, or products for resale, bought by defendants or any of them; no fixing of prices at which defendants or any of them shall sell products dealt in by any of them; and no apportioning among defendants, or between any two of them, of territory in which, or customers with whom, they, or any of them, shall conduct business.

4. That defendants in purchasing live stock from producers and their representatives are in keen and active competition with each other, and with many other buyers of live stock, and do not subject the sellers to any unfair trade practices and do treat them fairly; and that these fair and competitive conditions apply to purchases of live stock made by defendants (a) at public stockyard markets, (b) at their own private stockyards, and (c) when buying [fol. 1656] directly from the producer, or his agent, at or near places of production.

5. That defendants in the sale of their products are in keen and active competition with each other and with numerous others selling similar products and their competitive practices in the sale of their products are fair and lawful.

6. That in the transaction of their business defendants' treatment of customers is fair and lawful.

7. That in the operation of their business defendants accord to employees fair and considerate treatment and maintain harmonious relations with their employees.

8. That during the ten years from 1920 to 1929, inclusive, no one of the defendants' percentage of the total slaughter of livestock in the United States exceeded 16.05 per cent.

9. That during the ten-year period from 1920 to 1929, inclusive, no one of the defendants' percentage of the total

meat and lard production in the United States exceeded 16.2 per cent.

10. That none of the defendants has a monopoly in the meat packing industry.

11. That neither the four defendants, nor any two of them, are combined to monopolize or to attempt to monopolize the meat packing industry.

12. That each of the defendants could materially reduce the cost of distributing meats and other livestock products [fol. 1657] if it engaged in selling, dealing in and transporting foodstuffs other than, and in addition to, meat food products.

13. That each of the defendants, by dealing in foodstuffs other than, and in addition to, meat food products, would be enabled to so distribute its overhead and sales costs as to effect economies in the distribution of both meats and other live stock products and of non-meat-food products.

14. That during the ten years, 1920 to 1930, food manufacturing and distributing concerns, other than defendants, have greatly grown in volume of business, financial strength, and earning power; that there has been a marked growth (a) in the integration of concerns dealing in various lines of foods into single manufacturing, selling and distributing organizations; (b) in the integration by food concerns in the handling of products from manufacturers to consumers; and (c) in the diversification of products handled by manufacturers, wholesalers and retailers; and the trend is toward further integration and diversification.

15. That since 1920 conditions have materially changed in the methods of marketing food products by reason of (a) a great increase in the number of regularly organized retail chain food store companies; (b) the grouping together for cooperative and concerted action of large numbers of wholesale and retail food establishments in what are called voluntary chains; (c) an increasing number of combination food wholesaling and retailing establishments with the resulting reduction in such line establish- [fol. 1658] ments as grocery stores, vegetable and fruit stores, and meat markets; (d) the combining with grocery

establishments of departments or markets for the selling of meats; and (e) the engaging by concerns retailing foods on large scale in the functions usual to wholesale and branch house distribution, and in the functions of manufacturing and processing meat products and other foods.

16. That the changes in business and marketing methods set forth in the last immediately preceding finding have adversely affected the doing of business by defendants through their branch house and car route distributing systems, adding to the cost thereof, and reducing profits and causing losses.

17. That under present conditions the petitioning defendants are unable to earn a fair margin of profit on sales made by them or a fair return on the capital invested in their respective corporations.

18. That if defendants were engaged in handling food products additional to products they are now dealing in, there is no probability that they could or would acquire a monopoly of, or control the quantity and prices of, the foods produced and/or consumed in the United States.

19. That there is keen and active competition throughout the general food industry in the United States in manufacturing, wholesaling, and retailing.

20. That there is no monopoly now existing in the United States in the manufacture, preparation, or sale of foods. Food is now produced in greater volume and variety than ever before.

[fol. 1659] 21. That since 1920 conditions have so materially changed in the methods of handling so-called dairy products, including milk, cream, butter and cheese, that the most efficient and economical handling of such products can now be achieved by dealers handling all of them; that the business of defendants in these products is adversely affected and losses are incurred by reason of their inability to deal in all of them; that no unfair advantage would accrue to defendants in permitting them to deal in fresh milk and cream in addition to butter, cheese, eggs and poultry.

22. That there are now such strongly organized and financed companies engaged in the dairy products indus-

try, and the percentages of the products of that industry handled by each of the defendant corporations are so comparatively small, that there is no danger of monopoly therein by any of the defendants.

23. That during the past ten years retailing organizations in groceries, vegetables, fruits and meat lines have greatly increased in volume of business, financial strength, earning power, and buying power, have widely extended their fields of operation, and have diversified the products handled.

24. That there is no danger now that the entry of any of the defendants into the retail field and the conducting therein by any of them of retail meat markets or retail combination food stores would result in monopoly or unreasonable restraint of trade in the retail food industry.

[fol. 1660] 25. That during the past ten years (a) the increase in the number of railroad refrigerator cars, not owned by defendants, available to all who need to use such equipment in their businesses, has resulted in there now being ample equipment of that character for any and all who need them; (b) the increase in the use of motor trucks for the transportation of food products and the extending of the areas of their operation by reason of the great increase in good roads, and the increase in the transporting by motor trucks of products by packers competing with defendants and by wholesale grocers in making deliveries to their customers, have combined to deprive defendants of any advantage which the ownership of refrigerator cars formerly gave them, and none of the defendants enjoys any undue preference or advantage by reason of its ownership of refrigerator cars.

26. That defendants do not unfairly control public stockyards and market operations, thereon or indulge in unfair practices at stockyards, whether public or private; and that the administration of the Packers and Stockyards Act, 1921, deprives any of the defendants of the power to unfairly control public stockyard market operations, to charge unfair or unreasonable rates for services at public stockyard markets, to discriminate in the allotment of facilities at public stockyard markets, or, by reason of the ownership of shares of stock in public stockyard market companies, to obtain

any of the undue advantages alleged in the original petition in this case.

27. That none of the defendants has or can obtain control of the sources or dissemination of market and trade [fol. 1661] news respecting the live stock, the meat, or the general food markets.

28. That full and complete, prompt and unbiased market reports of all information usual and necessary for the guidance of live stock producers, agriculturists, manufacturers, wholesalers and retailers, in all lines of the food industry in the United States, are now available to all interested in such reports.

29. That conditions in the methods of doing business in the food industry in the United States have changed greatly since 1920.

30. All parties consenting to the Decree entered herein February 27, 1920, concede the jurisdiction and power of this Court to modify said Decree.

II

Requests for Conclusions of Law

The petitioning defendants respectfully request the Court to make the following conclusions of law:

1. None of the defendants is now engaged in violating, attempting, or threatening to violate any of the provisions of the anti-trust laws of the United States.

2. This Court has power in virtue of the provisions of Paragraph Eighteenth of its Decree entered herein February 27, 1920, to modify said Decree in such respects as the Court finds justified in the public interest and in justice to the defendants.

[fol. 1662] 3. This court has inherent power to modify its said injunctive decree in such respects as the Court finds justified in the public interest and in justice to the defendants.

4. The consent of the United States and all other original parties who consented to the entry of said Decree is not necessary to the exercise of the Court's aforementioned power to modify.

5. The provisions of Paragraph Eighteenth of said Decree constitute consent by all of the parties that the Court may entertain at any time any application for modification of the Decree and enter its order thereon.

6. Upon the facts pleaded and proved in the proceedings herein seeking modification of the injunctions of the Decree of February 27, 1920, the Court concludes that modification should be made in said Decree, as hereinafter ordered, because (a) the ends of justice would be served by such modification; (b) changes in the statutory law and in judicial construction given the Sherman Anti-Trust Act, since the entry of the Decree, justify modification; (c) changed conditions in the food industry during the past ten years justify modification in the public interest; and (d) changes in the controlling facts on which the injunctions of the Decree rested justify modification in justice to defendants.

7. The Decree of this Court entered in this cause on February 27, 1920, should be modified by an order relieving the defendants, and each of them, from the injunctions of that Decree against (a) the ownership of capital stock or [fol. 1663] other interest in public stockyard market companies or stockyard terminal railroads; (b) the manufacturing, transporting, selling or dealing in commodities specified in Paragraphs Fourth and Fifth of the Decree; (c) the using or permitting others to use the distributive systems and other facilities for the handling of the commodities specified in Paragraphs Fourth and Fifth of said Decree; (d) the ownership or operation of retail meat markets; (e) the engaging in the fresh milk and cream business; and (f) the ownership of stock or other interest in public cold storage warehouses.

The foregoing requests are—
Respectfully submitted.

Swift & Company et al., by Henry Veeder, Paul M. Godehn, Nelson T. Hartson, Frank J. Hogan, Attorneys for Swift & Co. et al. Armour & Company et all., by Charles J. Faulkner, Jr., Paul M. Godehn, Nelson T. Hartson, Frank J. Hogan, Attorneys for Armour & Co. et al.

Washington, D. C., December 1, 1930.

[fol. 1664] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

Equity No. 37623

UNITED STATES OF AMERICA, Plaintiff,

v.

SWIFT AND COMPANY, ET AL., Defendants

REQUEST FOR FINDINGS OF FACT—Filed Dec. 4, 1931, as of Jan. 31, 1931.

For the Court's convenience in case it should now deem it desirable to make findings of facts separately from its opinion hereinbefore rendered, the Government submits the following separate statement of facts referred to in its Brief and respectfully asks the Court so to find.

1. Meat packing embraces both slaughtering and processing. Processors who do not slaughter must either buy the livestock on the hoof and have it custom-slaughtered (which is done to a negligible extent only), or buy carcasses and other wholesale cuts from slaughtering packers. In [fol. 1665] doing the latter, they are customers of such packers and dependent upon them for their raw materials (p.11).*

2. The participation of chain stores in the meat packing business, both slaughtering and processing, does not exceed $30,000,000 annual packing plant output, or less than 1% of the total annual output of all meat packing establishments operating under federal inspection. So far as such participation includes slaughtering, it is practically limited to the Kroger Grocery and Bakery Company, with a yearly output of about $10,000,000. Chain stores do not otherwise compete with petitioners, as the latter do not retail their own products (pp.12-13).

3. There are approximately 900 centrally owned chain store systems in the United States competing with each

*Page references to the Government's Brief are inserted throughout these requested findings for the Court's more ready reference.

other in the purchase of the products they handle. They embrace a total of 60,000 constituent stores, with estimated total sales of $3,500,000,000 annually. Of these, but 15,800 stores have meat departments (p. 14).

4. Combined meat sales of all centrally owned chain stores do not exceed $380,000,000 annually, or not over 10% of the total meat sales of the United States through all retailing outlets (p. 15).

5. The combined meat sales of the nine largest chain stores systems, having a total of 35,140 stores, approximate $250,000,000 annually, or not over 6.6% of the total retail meat sales of the United States (pp. 15-16).

6. The total food bill of the United States is estimated at $24,000,000,000 annually, of which $3,000,000,000 is consumed at source of production, $5,250,000,000 is sold through hotels, restaurants, and similar outlets, and $15,-[fol. 1666] 750,000,000 is sold through retail food and provision stores (p. 14).

7. The total retail grocery business is in sales volume about $10,000,000,000 annually. The total retail meat sales through all outlets are about $4,900,000,000, of which about $3,800,000,000 is sold through retail marketing outlets, the remainder being through hotels, restaurants, and similar outlets (pp. 14-15).

8. About 25% of all centrally owned chain stores are combination stores having meat and grocery departments, and the meat sales of such combination stores average about 25% of their total sales. The normal retail margin of meats handled by centrally owned chain stores, i. e., difference between wholesaling cost and retailing price, averages about 20% of the retailing price (pp. 14-16).

9. The total sales of Swift and Company to chain store customers in the year 1929 represented 7% of their total sales to all customers and 8.9% of their total sales of edible products; while their total sales to their largest single customer represented 2% of their total sales and 2.5% of their total edible sales for the same year (p. 19).

10. The total sales of Armour and Company to chain store customers for the year 1929 represented 8.3% of

their total sales, and 10% of their total edible sales; while their total sales to their largest single customer represented 2.8% of their total sales, and 3.4% of their total edible sales (p. 19).

11. About 75% of such purchases by chain stores are centrally directed and controlled, while the remaining 25% is left to the option and discretion of local store managers (p. 20).

12. Great Atlantic and Pacific Tea Company, the largest chain store system, conducts its centrally directed buying [fol. 1667] through six executive division-, each of which exercises complete freedom in such buying, without direction or interference from central executive headquarters (p. 20).

13. Meat packing concerns other than the defendants frequently sell as much as 10% of their total output to chain stores, and 5% to their largest respective chain store customers, and do not consider such business in any way undesirable (pp. 20-21).

14. Leading fruit and vegetable canning concerns sell 25% or more of their total product to chain stores, and 10% to 18% to single chain store customers (p. 21).

15. The use of private and nationally advertised brands has been greatly extended to the last ten years, but is not well adapted and is little used in connection with the sale of fresh meats (p. 22).

16. The use of leaders (i.e., temporary offerings of selected commodities at reduced prices to attract trade to the store, with the expectation that it will then purchase other commodities at regular prices) is practically universal in the retail food trade. Branded and non-perishable articles are usually selected as leaders, and articles selected as leaders are offered as such for from two days to a week at a time—rarely longer (p. 22).

17. Defendants and other standard meat packers have for many years sold their products, for most part, directly to retailers, and to but slight extent to jobbers, wholesalers, or other middlemen (p. 23).

18. Voluntary chains consist of collections of separately owned retail stores acting together under various plans for the cooperative purchase of at least part of their wholesale requirements. Such centrally controlled buying involves about 25% of their sales, but is little practiced in the purchase of meats, and in fresh meats not at all, being ill suited to such purchases, because of the perishability, [fol. 1668] non-standard grades, and varying consumer tastes in such products. Such voluntary chains embrace about 551 separate organizations, with about 60,000 constituent retail stores (pp. 23-24).

19. There has been a marked growth in the past ten years in the integration of concerns dealing in various lines of foods into single manufacturing and distributing organizations. None of such integrated concerns, other than petitioning defendants, exceeds in size a sales volume of $350,000,000 a year, while most of them sell less than $100,000,000 a year. Such concerns do not as a rule retail their own products, nor do they include meat packing establishments of any importance in the size or extent of their operations. Such integrated concerns have achieved an increased diversification in products handled by them (p. 25).

20. The petitioning defendants have for years manufactured and handled a wide integration of diversified products, embracing practically all the products and by-products, both edible and inedible, of the nation's animal industry, including poultry and dairy products, and including also certain important vegetable products used as substitute foods, such as oleomargarine, cotton-seed oil, and lard substitutes (pp. 26-27).

21. Integrated food concerns, such as described in Finding 19 above, frequently sell from 4% to 18% of their total annual production to single chain store concerns (p. 28).

22. Meat packing concerns do not retail their own products to any important extent. Aside from chain stores engaged in the meat packing business, as described in Finding No. 2, above, such retailing is practically confind to a total of 150 stores operated by a few small packing concerns in and about Seattle, Washington (p. 29).

[fol. 1669] 23. Meat packing concerns, other than chain stores so engaged as described above in Finding No. 2 above do not handle general lines of unrelated commodities to any important extent (p. 30).

24. The proportions of the nation's slaughtering and meat packing industry and its products now controlled by Swift and Company and Armour and Company, as compared with that controlled in 1920 by Swift and Company, Armour and Company, and Morris and Company, has not changed to any marked degree; but concentration in the control of such proportions of the business has increased to the extent that Armour and Company has since acquired Morris and Company, and whereas the 1920 proportions were divided between three leading meat packing concerns, the proportions of to-day are divided between two such concerns (pp. 31-33).

25. The Swift and Armour groups of petitioning defendants are about equal in size and volume of business. Together they controlled in 1929, 29% of all meat and lard products in the United States. Of the total business of all packers subject to the Packers and Stockyards Act, they controlled slightly over 43%, whether measured by volume of live stock purchased or volume of total sales, domestic and export. But of the total business of slaughtering packers subject to the Packers and Stockyards Act, they controlled over 50%, while of that of all slaughtering packers selling their products in interstate commerce and therefore subject to federal inspection, the petitioning defendants controlled over 54%. Similarly, the four leading packers, commonly known as the Big Four (including beside the petitioning defendants Wilson and Company and Cudahy Packing Company, and their subsidiaries), handled 56% of the business of all packers subject to the Act, and 70% of that of all slaughtering packers selling their products in interstate commerce (pp. 34-35).

26. In comparison with the volume of business done, Swift and Armour, and likewise the Big Four packers [fol. 1670] collectively, have for the past five years enjoyed more than their proportionate share of the total net profits of the nation's slaughtering and meat packing industry in interstate commerce. These respective shares of the total business and profits of said industry are shown by the following table:

[fol. 1670]

	Swift percentage		Armour percentage		Swift and Armour percentage		Big Four percentage	
	Business	Profits	Business	Profits	Business	Profits	Business	Profits
1924	23.14	21.91	29.51	28.40	54.65	50.31	69.42	63.27
1925	23.20	34.49	26.53	32.41	49.73	66.90	63.27	75.97
1926	28.18	38.29	25.09	19.94	53.19	58.23	66.22	75.91
1927	26.73	84.01	29.02	3.41	55.75	87.42	70.99	103.27
1928	26.73	33.12	28.25	25.33	55.98	58.45	70.87	69.13
1929	27.47	36.33	28.21	27.25	55.68	63.58	71.89	77.63

(p. 36)

27. The Swift and Armour combined shares of the nation's total production of meat and lard subject to federal inspection has changed from 43.1% in 1920, and 43.5% in 1921, to 43.9% in 1929 (p. 37).

28. Armour and Swift are each among the largest concerns in the United States engaged in the manufacture, distribution, and sale, of butter, cheese, poultry, eggs, vegetable oil, lard substitutes, and oleomargarine, and together control from 8% to 30% of the nation's total business in each of these commodities (p. 38).

29. Approximately 75% of the livestock produced in the United States is produced west of the Mississippi River, while about 75% of the nation's population lies east of the Mississippi River. Roughly, 50% of the nation's total production of livestock must be moved either as such or [fol.1671] in the form of its manufactured products, in interstate commerce, from this western production area to this eastern consumption area, and constitutes the most important part of the interstate commerce of the United States in livestock and meat products (p. 40).

30. The number of meat packing plants in the United States increased from 1184 in 1921, to 1250 in 1927; but no increase is shown in the number of independently owned concerns operating such plants. In 1929 there were 998 such concerns independently owned reporting to the Secretary of Agriculture as subject to the provisions of the Packers and Stockyards Act (p. 44).

31. The leading meat packing concerns in the United States, and the volume of sales, domestic and export, controlled by them, for the year 1929, are as follows:

Swift and Company	$978,000,000
Armour and Company	892,000,000
Wilson and Company	279,000,000
Cudahy Packing Company	263,000,000

In addition to this, Armour and Company did a foreign business from foreign slaughter with a sales volume of $112,000,000; and Wilson and Company $30,000,000. None of the other meat packing concerns in the United States exceeds in volume of sales $100,000,000, and only two of them exceed $50,000,000 (p. 46; also Govt. Exhibit 13).

32. The great bulk of competing packers operate locally only, selling their products usually within a radius under 200 miles from their point of production, and being unable to compete with other local packers or with the larger packers operating on a national scale beyond such radius. Their principal advantage in competition with the larger packers lies in their ability to supply the more discriminat- [fol. 1672] ing trade in their respective communities with fresh killed meats of a quality not now obtainable from the larger packers because of the latter's more distant shipments (p. 46).

33. The number of customers to whom the smaller independent packers customarily sell averages between 2500 and 3500 each. Any development that would decrease the number of independent retail outlets so as to seriously diminish the number of customers available to independent packers would seriously injure their business position. Swift and Armour each sell to from 200,000 to 300,000 customers.

34. The independently owned slaughtering and meat packing concerns operating in the United States are in active competition with each other, both in the purchase of livestock and in the sale of their products, in the various territories and localities where they respectively purchase and sell in common. The general impression among packers competing with petitioning defendants is that such competition is fair and clean. In certain localities, however, petitioning defendants through their agents and employees have recently engaged in unfair and collusive competitive practices, partly in combination and agree-

ment with each other and with various of their competitors, as follows:

(1) As to the fat-rendering business in the New York metropolitan area:

(a) In the pursuit of small competitors' trucks, for the purpose of ascertaining their customers, and luring such customers away by payment of greatly enhanced prices, bonuses and gifts of equipment.

(b) In agreements with competitors as to the allocation of customers between them.

(2) As to sale of meat products in Texas and Oklahoma territories:

[fol. 1673] (a) In agreeing with each other and with competitors for the maintenance of confidential minimum prices on certain lines of meat products, with instructions and machinery for the reporting and correction of deviations by competitors; and in some cases, threatening competitors with price cutting unless they kept their prices in line.

(3) As to the creamery business in Iowa, Missouri, Nebraska, Kansas, Wyoming, and Montana:

(a) In threatening undue price enhancement in the purchase of butter fat unless competitors would adopt a new plan for its collection and payment deemed advantageous to competitors' business.

(b) In weekly meetings and agreements between petitioners and other competitors as to prices to be paid for butter fat.

It was further shown that in the creamery business, Swift and Armour possess and exercise a price domination and leadership, furnishing regularly to their smaller competitors advance information as to prices they propose to pay for butter fat, which prices such competitors feel constrained by the conditions of the business to follow (pp. 47-59).

35. That Swift and Armour are able to use and do use the large freight traffic at their command in connection with their slaughtering and meat packing business, by offers of its allocation and threats of its withdrawal, to promote the

sale to railroads of various items of railway equipment manufactured and sold by independent corporations in which various of their officers and directors are interested as stockholders (pp. 60-61).

36. That the total value of the products of the slaughtering and meat packing industry of the United States is in excess of $3,000,000,000, and it is the largest of the nation's industries (p. 61).

37. That a marked development in motor transportation [fol. 1674] and good roads has occurred in the past ten years, enabling the advantageous use of motor trucks for interurban deliveries within a radius of 125 miles from particular distribution centers. The advantages so afforded have been shared by the petitioning defendants as by others, but to the extent that such transportation is practical, it affords quicker deliveries to customers than was formerly possible with the use of route refrigerator cars, and also enables the elimination of separate cartage charges at points of origin and destination. For greater distances, route cars must still be principally relied upon, and their radius of operation extends up to 500 miles, and sometimes more (p. 62).

38. The great bulk of deliveries by wholesale grocers to their customers are made by motor truck or freight in less than carload lots. The cost of motor truck delivery averages about the same as that of L.C.L. freight (p. 63).

39. The delivery cost of wholesale groceries averages from 4% to 5% of their delivered cost to the retailer. The usual margin of profit made by manufacturers on canned goods and distributors of wholesale groceries is less than 4%. The ability of an important competitor in the distribution of wholesale groceries to ship its products, or a large part of them, free of transportation costs to which other wholesale grocers are subject would enable the sale of the products so shipped sufficiently lower in price to wipe out its competitors' normal margin of profit, and would seriously jeopardize their ability to continue in business (pp. 63-64).

40. Petitioners are supplied with sufficient surplus branch house facilities to enable the handling of a complete line of wholesale groceries and canned goods without sub-

stantial additions thereto. This surplus is due in part to [fol. 1675] the constantly shifting territorial needs of the business, in part to the elimination of duplication consequent upon the merger of the Armour and Morris concerns in 1923, in part to the curtailment by Armour and Company in compliance with the consent decree of 1920, of the business in unrelated lines carried on by it prior thereto, and in part to an increase in car-lot deliveries in that portion of their business which is purchased by chain stores. Some of the abandoned branch houses have been disposed of at a loss, but it does not appear that such loss is more than is usual in industry in cases of obsolescence of plant or equipment, nor that such properties are substantially more difficult to dispose of when no longer needed than industrial properties generally of similar character (pp. 64-66).

41. The present supply of refrigerator cars owned by railroads, private car lines, and industrial concerns is ample for those who need them, and are in a position to use them. The use of refrigerator cars is essential to the operation of the meatpacking industry upon a national scale, where delivery of fresh meat products must be made at points distant from place of manufacture. One mode of such use is what is known as the route car system, by which refrigerator cars are loaded in station order at the meat packing plant with shipments destined to a succession of stations whose several needs are not sufficient to call for carload shipments. As the destinations are reached, their respective shipments are unloaded, often without detaching the car from the train, and without the necessity of reloading and redistributing at junction and division points. The railroad LCL tariff applies to shipments in such cars, except that the shipper must guarantee a total car revenue on a specified minimum weight, usually 10,000 or 12,000 pounds, and if the car is not loaded to its minimum, the minimum must he paid nevertheless. In making up the minimum, grocery lines may be loaded into the car, as well as meat products. As the car contains [fol. 1676] perishable shipment, it receives more rapid and expeditious movement than is accorded the railway package car service, which must be used for LCL shipment by those not in a position to use route cars (pp. 67-73).

42. The regular operation of such route cars is essential to the conduct of the slaughtering and meat packing business, and the distribution of its products on a national scale; and the cars must be moved regularly as scheduled over the prescribed routes, whether shipments are available for movement equal to minimum revenue load required or not. In practice, the cars move in many cases loaded well below the minimum. The surplus space available in such cars is sufficient to enable the petitioners to add to their business a full line of wholesale groceries and handle it through their present refrigerator cars without substantial addition thereto (pp. 67-73).

43. To the extent that such route cars are loaded below the minimum requirement with meat products, groceries and other unrelated lines can be shipped in them without additional cost (p. 72).

44. A manufacturing process known as the "Birdseye Process" has recently been developed for freezing fresh meat products in retail cuts at very low temperatures, without injuring their tissue cell structure or impairing any of the desirable features to be found in fresh killed meat products. Such products so treated may be held for from six months to a year without deterioration, and then served for consumption equal in every desirable feature to the fresh killed product. While other quick freezing processes have been developed and patented, the Birdseye Process is the best so far developed, because by the use of double plate freezing surface it enables quicker freezing from both sides than would be possible from one side of the products so treated. The Birdseye Process is covered by a patent now owned and controlled by General Foods Corporation, which paid $22,000,000 for it. The quick [fol. 1677] freezing processes require different and more costly equipment than that heretofore generally used in the meat packing business, both for manufacture, transportation, and storage of the products so treated, because of the colder temperatures required. It enables the sale of fresh meats in retail packages put up at the packing plant and sold under privately owned brand designations, and eliminates the necessity of meat cutting at local retail meat markets. Atlantic Coast Fisheries, a corporation engaged in the distribution and sale of fish east of the Mississippi

River, is using another form of this process which it controls, but which is not suited to the treatment of fresh meats, in the distribution of its products on a large scale. In so doing it depends upon separately owned and operated retailing and transportation facilities and finds their service satisfactory; and this concern is enabled thereby to sell and does sell its products in direct and successful competition with fresh fish supplies locally produced.

The integration of manufacturing, distributing, and retailing of meat products under single control is not necessary to enable the advantageous development and the use of the quick freezing process by the meat packing industry, or to afford the public the benefits thereof. The general adoption of this process by that industry is imminent, so far as the control of patent rights permits. It may be expected that the use of the process will be found more profitable if it can be restricted to a few of the larger concerns in the meat packing industry, and that those controlling patents covering the process will find it more profitable to grant their use to such larger concerns upon terms that will tend to restrict its use to them as against the rest of the industry (pp. 73-84).

45. The ownership of public stockyard market facilities [fol. 1678] by the defendants or any of them is implicit with danger of agreements, discriminations, and other preferential treatment of those using such facilities.

46. It is impracticable for those engaged in the business of wholesale marketing to sell their products at retail without antagonizing or alienating their existing retailer trade, and it would be impracticable for petitioning defendants to engage in retailing their own products unless prepared to do so as to the major portion of their business.

47. In the absence of its actual use, the privilege of retailing their products would be of no advantage to petitioners, except for use as a threat against their competitors or customers to the impairment of the free operation of the principle of competition (pp. 102-14).

48. The business position, profits, and strength of the independent wholesale grocers as a class have shown a marked impairment in the past ten years (p. 109).

49. There is at present a sufficiency, and probably a surplus of existing packing house facilities and retail food outlets (p. 109).

50. If large meat packers were to engage in the business of retailing their products on a large scale, it would be more economical for them to acquire existing retail outlets than to develop new ones. If chain stores were to go into the meat packing industry, it would be more advantageous for them to acquire existing packing house facilities than to construct new ones (p. 109).

51. The larger chain store concerns are dependent upon large packing concerns such as the petitioners for a supply of meat products adequate to their needs in quantity and quality, and if deprived of such sources of supply, would probably find it necessary either to go out of the meat retailing business or to acquire their own meat packing facilities (p. 109).

[fol. 1679] 53. If petitioners should engage in retailing their own products in combination meat and grocery stores, they could do so with economies and at prices which most independent retailers could not meet, and there is danger that the latter would be forced out of business (p. 110).

Respectfully submitted.

H. B. Teegarden, Special Assistant to the Attorney General.

[fol. 1680] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

PROPOSED FINDINGS OF FACT IN BEHALF OF AMERICAN WHOLESALE GROCERS' ASSOCIATION AND NATIONAL WHOLESALE GROCERS' ASSOCIATION, DATED DECEMBER 1, 1930—Filed Dec. 4, 1931, as of Dec. 1, 1930

Intervenors understand that the United States and the petitioners are submitting proposed findings of fact. The American Wholesale Grocers Association and National Wholesale Grocers' Association unite in proposing the following findings of fact which they deem established by the evidence:

1. The meat-packing industry is now the largest in the United States, having recently passed the volume of the automobile industry. (R. 520.)

2. The combined sales of the Big Four meat packers, Armour & Company, Swift & Company, Wilson & Company and Cudahy Packing Company, for the year 1929 exceeded $2,616,224,000. (Petitioner's Exhibit 72.)

3. The sales of Armour & Company in 1920 and also in 1929 exceeded One Billion Dollars; the sales of Swift & Company in 1920 and in 1929 exceeded One Billion Dollars. (Petitioner's Exhibits 72, 105 and 136.)

4. The record in this case shows no corporations in the United States whose sales up to the year 1929 exceeded the sales of Swift & Company or of Armour & Company, except General Motors Corporation, American Telephone & Telegraph Company, United States Steel Corporation and Standard Oil Company of New Jersey. (Stipulation [filed Oct. 28, 1930, see Record, pp. 1660, 1794], page 44 Table III.) But in 1929 the sales of Great Atlantic & Pacific Tea Co. did reach $1,053,693,000.

5. The record in this case shows no food company either meat packer or large manufacturer, nor any chain grocery company, nor any corporation or person engaged in any branch of the food business, whose sales exceeded those either of Armour & Co. or Swift & Co. in the year 1920 [fol. 1681] or the year 1929 or in any intervening year. The third largest volume of sales of any shown in this record for any corporation engaged in any branch or branches of the food industry within the United States is that of Great Atlantic & Pacific Tea Company, whose volume for 1928 was $972,799,185. The total sales of Standard Brands Inc. in 1928 was $64,004,366; the total sales of General Foods Corporation for 1929 was $128,037,000; for National Dairy Products Co. $300,021,000. Of those food companies with which petitioners compare themselves in the petitions filed in this case and in Petitioner's Exhibit 70, the sales of each of the said companies for 1929 are substantially less than one-third of the sales of Armour & Company and less than one-third of the sales of Swift & Company for 1929. (Stipulation [filed Oct. 28, 1930, see

Record pp. 1660, 1794], page 31, Table I; Petitioner's Exhibit 70; Petitioner's Exhibit 72.)

6. With the exception of Great Atlantic & Pacific Tea Company no one of the country's large grocery chains shown in this record had annual sales in 1929 approaching in volume the total either of Armour & Company or of Swift & Company. (Petitioner's Exhibit 69). The total sales of Great Atlantic & Pacific Tea Company for that year were $1,053,693,000. The second largest volume of grocery chain stores in 1929 is that of Kroger Grocery & Baking Company—$286,611,000—which is substantially less than one-third of the total sales either of Armour & Company or Swift & Company for said year. In 1929 the sales of Safeway, Inc. a chain system were $213,496,000; in that same year the sales of American Stores Company were $143,346,000; the sales of First National Stores, Inc. for 1929 were $107,635,000; the sales of National Tea Company for 1929 were $90,210,000; the sales of MacMarr Stores, Inc. for the year 1929 were $87,238,000. (Petitioner's Exhibit 69). No other grocery chain shown in this record had sales in [fol. 1682] 1929 approaching the volume of the chain store systems named and the total sales of the four defendant meat packers for 1929 exceeded the total sales of the 12 largest grocery chains shown in this record by more than $500 000,000. (Petitioner's Exhibits 69 and 72.)

7. Swift & Company and Armour & Company advertise and distribute more widely than any of the other meat packers in the United States and their brands and products enjoy national distribution to a greater extent than those of any of their competitors. (R. 1408-9.)

8. Petitioner's Exhibit 90 entitled "List of Chain Stores performing Meat Packing Operations," and listing 89 such chain stores, shows only 13 that do any slaughtering and the meat packing operations therein stated are for the most part nothing other than warehousing, "bacon slicing," and some "sausage making" and "meat cutting." (Petitioner's Exhibit 90, R. 3030.)

9. The use by the defendant meat packers of their privately-owned refrigerator cars gives them an advantage over competitors not owning such cars. (Swift Year Book 1929, page 36; Swift Year Book 1926, page 19; Swift Year

Book 1924, pages 33-38; R. 518 et seq., 1087, 1088, 2249 to 2251.)

10. The present meat-packing plant capacity of the country is sufficient to meet the requirements of consumption. (R. 2352.)

11. The earnings of the meat-packing industry are stable. (Swift Year Book 1929, page 53; R. 1992, 1993.)

12. The costs of the large meat packers are greater than the costs of small packers due to the maintenance of branch houses, increased personnel, etc. (R. 1965-6, 2323.)

[fol. 1683] 13. An exact comparison of carcass prices and retail meat prices is impossible inasmuch as a large part of the carcass is not edible and the edible parts differ greatly in character and quality. (Swift Year Book 1922, page 32; Swift Year Book 1923, page 53; Swift Year Book 1928, page 20, R. 2651-2, 2660-1, 2437-40, 2442.)

14. The volume of the meat business in retail stores handling both meats and groceries is from 18 per cent. to 40 per cent. of the total volume of such stores. (R. 1918, 2762, 2775, 2777, 2781, 2804, 2986.)

15. The meat packers' products constitute a greater part of the volume of the retail stores handling both meats and groceries than do the products of any other manufacturer. (R. 2765, 2421-2.)

16. Some of the smaller independent meat packers have since 1920 increased both their sales and their profits and generally, with few exceptions, these packers do not retail or propose to retail their products and the larger part of their respective businesses constitutes sales to independent rather than to chain stores. (R. 1110, 1660, 1706 to 1750.)

17. It is generally true that the retail price of meats follows the market for live stock and the wholesale market for carcass meats. When the wholesale price of meat goes down, retail prices go down correspondingly. (R. 1146, 1148, 1564, 2212-3.)

18. Both Swift & Company and Armour & Company continue to own an indirect interest in stockyards. (R. 1161, 1904.)

19. Of a total of all meats sold in 1929 excluding foreign slaughter and including all Federally inspected meats the defendant packers sold $2,417,283,930.62 which is 70.73 per [fol. 1684] cent of the total Federally inspected and made 77.63 per cent. of the profits. (R. 2582, U. S. Exhibit 21.)

20. The large retail chains as well as the larger independent retailers need for their respective trades quantities and qualities of meats that only some one of the defendant packers can adequately furnish. (R. 2754-5, 2763, 2772-3.)

21. The petitioner, Armour & Company, owns 391 branch houses; owns 6,766 refrigerator cars and operates 317 car routes. (Petitioner's Exhibits 119, 121 and 122.)

22. Armour & Company has 200,000 customers. (R. 1996.) The great bulk of Armour & Company's business is sold through the independent retail trade. (R. 1972.)

23. Armour & Company would require 25,000 retail markets to distribute its output. (R. 1979.) Armour & Company sells several hundred different kinds of meat products. (R. 1918.)

24. Armour & Company at all times since the entry of the Decree has been engaged in the handling of "unrelated" lines. (R. 1989, 2282-5, Petitioner's Exhibit 113.) Armour & Company holds a $500,000 mortgage on the plants of California Cooperative Canneries. (R. 2514.) In addition to this mortgage Armour & Company has made advances to the Canneries and has guaranteed certain obligations of that company. The total of the liabilities of the California Cooperative Canneries to Armour & Company at this time being in excess of one million dollars.

25. Armour & Company now owns a controlling interest in the National Fruit Canning Company which does a business of about $3,500,000 annually. (R. 1733-4.)

[fol. 1685] 26. Armour, Wilson and Swift Salesmen are instructed to charge prices as much in excess of their confidential price lists as competitive conditions permit. (R. 3401, 3435, 3478, 3501, 3508, 3495, 3116.)

27. Armour & Company's sales of "unrelated" lines which are prohibited by the Decree were in 1920 $34,738,039, in

which year the percentage of earnings on investment was .89 of one per cent. In 1924 these sales of "unrelated" items totalled $2,318,000 in which year the profits on investment were 6.75 per cent. (R. 1714 to 1721 and also Petitioner's Exhibits 105 and 113.)

28. The dollar sales of Armour & Company in 1929 were larger than the dollar sales of the past six or seven preceding years. (A. 1992.) The earning power and stability of Armour & Company are more certain now than ever before. (R. 1992-3.)

29. There is a wide difference in the earnings on investment made by Armour & Company and Swift & Company. This difference in earnings was not explained. (Petitioner's Exhibit 72 and R. 1497, 2093.)

30. Armour & Company's net earnings from 1923 to 1929, inclusive, have been as follows:

	Amount	Percentage on net worth
1923	$15,691,000	5.26
1924	18,310,000	6.57
1925	14,452,000	5.04
1926	8,148,000	2.84
1927	538,000	.19
1928	11,326,000	4.09
1929	9,811,000	3.54

(Petitioner's Exhibit 111.)

[fol. 1686] 31. Earnings of Armour & Company in its domestic business for the years 1926 and 1927 were very substantially in excess of those contained in Finding 30 but larger losses were suffered by Armour & Company in its South American business. (Petitioner's Exhibit 126.)

32. The petitioner, Swift & Company, owns 441 branch houses; owns 5,509 refrigerator cars and operates 1014 car routes. (Petitioner's Exhibit 143.)

33. Swift & Company owns a majority of the voting stock of Libby, McNeil & Libby, which company is engaged in the canning and distribution of fruits, vegetables, milk and other products. (R. 2026-7.)

34. Swift & Company's net earnings from 1923 to 1929, inclusive, have been as follows:

Year ending	Amount	Percentage on net worth
Nov. 4, 1922	$13,049,217	6.1
Nov. 3, 1923	13,184,619	6.2
Nov. 1, 1924	14,125,988	6.6
Oct. 31, 1925	15,379,152	7.1
Nov. 6, 1926	15,645,242	7.1
Nov. 5, 1927	12,202,493	5.4
Nov. 3, 1928	14,813,182	6.6
Nov. 2, 1929	13,076,815	5.8

(Petitioner's Exhibit 136.)

35. Swift & Company has been paying dividends consecutively for about 45 years. (R. 2094.)

36. Swift & Company and Armour & Company are better equipped to handle the meat requirements of the chain stores than are the smaller packers. (R. 1157.)

37. The prices fixed by Swift & Company differ at its different branch houses at the same time and on the same [fol. 1687] commodity. The same is true of Armour & Company. (R. 1399, 1400.)

38. Swift & Company has increased its net earnings since 1920, the average 1922 to 1929 being 6⅓ per cent. on investment. (Petitioner's Exhibit 136, R. 1998.)

39. The second largest chain store system in United States, Kroger Grocery & Baking Company, engaged in the grocery business, owns two meat packing plants, one of which was acquired more than 20 years ago and the other plant acquired in 1920. (R. 1203-1206.) The largest chain store system in the United States, the Great Atlantic & Pacific Tea Co., is not actually engaged in the meat packing business, the activities of its Federally-inspected plants being limited to the slicing of bacon. (R. 2743.)

40. Chain store organizations and other large buyers are able to secure prices and terms lower than smaller buyers, but by reason of large chain store orders and the consequent savings in selling expense this is not a disadvantage to the petitioning packers. (R. 1953, 2084-5.)

41. The present production of canned foods is in excess of consumption. (R. 2989, 3280.)

42. The larger buyer is influenced in purchasing canned goods primarily by a desire to obtain a rapid turnover at a minimum cost. (R. 2998, 3001, 3281-2.)

43. There are about 3,500 canners in the United States. From 80 to 85 per cent of the canners in the United States are small canners. (R. 3276.)

44. Competition in the wholesale grocery business in the United States is active and keen. (R. 2974, 3091, 3016, 2914-5.)

[fol. 1688] 45. Wholesale prices promptly reflect changes in producers' and manufacturers' prices. (R. 2914-17, 2973-4, 3016, 3091.)

46. The present investment of so-called independent concerns engaged in the wholesale grocery business in between $1,250,000,000 and $1,500,000,000. (R. 2921.)

47. There are about 6,000 wholesale grocers in the United States and between 120,000 and 150,000 persons employed in the independent wholesale grocery business; there are approximately 380,000 retail grocers in the United States and about 1,500,000 persons employed in the independent retail grocery business. (R. 2921-2923.)

48. The present investment of so-called independents engaged in the retail grocery business is about $1,500,000,000. (R. 2922.)

49. Retail prices promptly reflect changes in wholesale prices. (R. 2914-17, 2213, 2678, 2786-7.)

50. The present retail food outlets in the United States are sufficient to meet the requirements of consumption. (R. 2352, 1170, 845-6, 2489.)

51. Competition in the retail grocery business in the United States is keen and active. (R. 2933, 2769, 2787, 2783, 2914-15.)

52. The merger or consolidation of corporations into so-called "integrated lines" has been due in part to favorable

markets for the sale of securities, and the capitalization of such new companies frequently has represented an increase in the capitalization of the constituent companies thereby making necessary increased profits in order to show the same earnings per share. (R. 2401-2.)

[fol. 1689] 53. Food products have increased in cost since 1913 to a lesser extent than other necessities and standard commodities. (R. 2439.)

54. There is a point in business expansion where additional growth fails to bring further economies. (R. 2396-8, 2748, 2752.)

55. While the annual business of Armour & Company is substantially the same in size as that of Swift & Company, there does not seem to be any explanation of the difference in the earnings of the two companies. (R. 1969.) Armour & Company's employees number 64,000 (R. 1891), while Swift & Company's employees number 53,000. (R. 2093.) The difference in the number of employees would account for $10,000,000 of increased cost in conducting Armour & Company's business. (R. 2093-4.)

56. There is no surplus of livestock in this country now, and we are in fact importing meats. (R. 752-3.)

57. Of the cattle carcass 54 per cent of the weight is edible, and the edible portion is 87 per cent of the value of the steer (R. 2469.)

58. Wilson & Company is engaged in the distribution of some "unrelated" lines. (R. 2492.)

59. Wilson & Co. salesmen had authority to cut prices of by-products and canned goods in order to secure large meat orders. (R. 3114, 3094.)

60. The entry of the larger meat packers into the canned foods industry would tend to eliminate small canners and adversely affect the smaller communities throughout the country. (R. 3285-6.)

[fol. 1690] 61. Some of the defendants engage in unfair practices in the Metropolitan District of New York City and do not in seeking to buy waste from retail meat dealers always compete among themselves, but do by unfair com-

petitive methods seek to destroy small buyers of this waste. (R. 2679 to 2726.)

62. The large retail chains as well as the larger independent retailers need for their respective trades quantities and qualities of meats that only some one of the defendant packers can adequately furnish. (R. 2754, 2755, 2763, 2772, 2773.)

63. At Vernon in the State of Texas, agents of Swift & Company, Armour & Company and Cudahy & Company controlled prices at which meats should be sold to retailers and attempted to coerce a local wholesale meat dealer to join them. This agreement began in August, 1929, and continued until this hearing. (R. 2863 to 2902.)

64. Petitioners notify competitors in the State of Texas as to their current prices and weekly changes in such prices. (R. 3045 to 3111.)

65. By means of manufacturing plants owned largely if not wholly by employees and officers of Armour and Swift, efforts are successfully made to sell railroads certain equipment on the plea that Armour and Swift control large tonnages of freight which they can shift to those carriers who buy such equipment. (R. 3037 to 3042.)

66. In the operation of purchasing cream and butter fat from producers Armour & Company and Swift & Company control prices which shall be paid by them and their competitors; and have at times increased those prices for the purpose of eliminating competitors or in order to compel [fol. 1691] them to observe the prices agreed on and stated by the agents of petitioners. These restraints of trade with a varying degree of intensity have existed within a year, and in some instances yet continue to exist in Missouri, Iowa, Nebraska, Wyoming, and Montana. (See testimony of George A. Chapman, R. 3145 to 3168, and of Kantz, R. 3172 seq.; Snyder, R. 3185, seq.; Hankins, R. 3200 seq.; and others.)

67. By reason of having agreed to the decree of February 27, 1920, petitioners obtained advantages by way of an effect on a pending case before the Interstate Commerce Commission and in terminating pending and threatened suits and prosecutions, and at this time it is impossible to

restore the status as it existed at the time such decree was entered. (Swift Yearbook 1921, pp. 51, 13.)

68. The entry of the petitioning defendant meat packers, Armour & Company and Swift & Company, into the business of manufacturing "unrelated" non-meat food products would tend to the elimination or the lessening of the number of independent manufacturers now engaged in that occupation. (R. 3285, 299[illegible]5; see Stipulation filed by United States on Nov. 4, 1930, Record, p. 2536.)

69. The entry of the petitioning defendant meat packers, Armour & Company and Swift & Company, into the business of wholesaling food products unrelated to the meat-packing industry would tend to the elimination or lessening of the number of independent concerns now engaged in the wholesaling of grocery products. (R. 2933-34, 3030, 2968-2970; see also Stipulation filed by United States on Nov. 4, 1930, Record, pp. 2536, 2538.)

70. The entry of the petitioning defendant meat packers into the business of retailing meats and "unrelated" food [fol. 1692] products would tend to the elimination or lessening of the number of independent retailers of such food products. (R. 447, 448, 1566, 1573, 1608, 2771, 2772-3, 2778, 2794, 2812-13, 2348, 2816.)

71. The large meat packers owning refrigerator cars would in many cases be able to include products other than meat in such cars without the payment of additional freight because of the fact that often present shipments of meat products are less than minimum car requirements. (R. 2261-3.)

72. If competitors of wholesale grocers could ship less than carload quantities of groceries in combination with meat in such manner that the competitors of the wholesale grocers incurred no additional freight charge for the grocery products, that advantage would greatly injure the wholesale grocery business. (R. 2826-7, 2828, 2970, 2982-3, 3027, 3030.)

73. The adoption by the large meat packers of a quick-freezing process would enable them to largely destroy any advantage which a smaller packer would have by reason of favorable location. (R. 2188-9.)

Exclusive ownership of a quick-freezing process would tend to give the owner control of the distribution of foods subject to that process. Ownership of a quick-freezing process for meats by a concern distributing grocery products would give such concern a great advantage over its competitors. (R. 1163-4, 2918-20.)

74. The entry of the meat packers into the business of retailing food products would result in the loss of their present retail customers. (R. 2350, 2160.)

75. The opening of retail stores on a large scale by either Armour & Company or Swift & Company would compel other large meat packers to establish similar retail outlets. (R. 2343, 2489.)

[fols. 1693 & 1694] 76. Should the large packers enter the retail business they would go into it generally on a large scale and would have to be prepared to take over the retailing of all their own products. (R. 2097, 2343.) If the large meat packers entered the retail field it would be more advantageous for them to acquire chains of stores. (R. 2351-2352.)

77. It would not be advantageous for chain store organizations to go into the business of slaughtering and meat packing. (R. 2351, 2757-8.)

78. The ability of the meat packers to ship canned goods at a lower L. C. L. rate than the independent canner would be disadvantageous to the latter. (R. 2993, 2994, 2995.)

[fol. 1695] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

OBJECTIONS TO PETITIONING DEFENDANTS' REQUEST FOR FINDINGS OF FACT—Filed Dec. 4, 1931, as of Jan. 31, 1931

Said petitioners having requested the Court to make findings of fact separately from those referred to in its opinion of January 5, 1931, and in accordance with their request previously filed herein December 1, 1930, United States by its counsel respectfully submits herein briefly summarized its objections to said findings.

1. To request No. 3: In the face of the Government's evidence as to agreements with reference to prices and customers, and other unfair practices, the Court is not warranted in concluding that no such agreements, etc., exist. In any event, the testimony as to the absence of such agreements can, in the nature of the case, go no farther than to lack of knowledge thereof on the part of the witnesses. Such practices are naturally cloaked in secrecy, and none of the witnesses was in a position necessarily to know of them if they existed, unless he were an interested party to them. In the absence of contrary evidence, the utmost finding warranted would be that no such practices were shown.

2. To requests 5 and 6: Objection is made to finding that defendants' competitive practices and treatment of their customers are in all respects fair and lawful, for the reasons similar to those urged against Request No. 3, above.

[fol. 1696] 3. To request 14: This is objected to, on the ground that it is too broad. The word "certain" should be inserted in the first line after "1930."

4. To request 15(e): Finding 15(e) is objected to as not supported by evidence. The very limited extent to which chain stores have gone into meat packing, whether slaughtering or processing, does not constitute a substantial change, on any proper basis of comparison with reference to this case. (Brief, pp. 11-13.)

5. To request 16: Finding 16 is objected to, on the ground that there is no satisfactory evidence that the changes referred to have caused losses. On the contrary, in spite of them, Swift has continued to maintain respectable profits. The finding would be satisfactory if the words "and cause loss" were stricken, and the last line changed to read, "and reducing profits in those branches of their business."

6. To request 17: Finding 17 is objected to as unwarranted. It is sufficiently refuted by the fact that Swift and Company, though practically identical in situation with Armour and Company, is continuing to make fair profits under present conditions.

7. To request 18: Finding 18 is objected to as unwarranted upon the law and the evidence.

8. To request 20: Finding 20 is objected to as immaterial, as the question is upon the danger of monopoly, not upon its present existence.

9. To requests 21 and 22: These are objected to as unwarranted and immaterial, in that the evidence does not show that the conditions referred to have substantially changed since 1920.

10. To request 24: Finding 24 is objected to as unwarranted upon the law and the evidence.

11. To request 25: Finding 25 is objected to as to that part which requests finding that use of motor trucks, etc., [fol. 1697] "have combined to deprive defendants of any advantage which the ownership of refrigerator cars formerly gave them, and none of the defendants enjoys any undue preferences or advantage, by reason of its ownership of refrigerator cars." Petitioners admit that the use of refrigerator cars for the combined handling of meat and grocery products in unrelated lines would give them economies and advantages not available to dealers in either separately.

12. To request 26: Finding 26 is objected to on grounds similar to those advanced against request No. 3, and for the further reason that the Packers and Stockyards Act does not deprive defendants of the power to engage in the practices enumerated, but only sets up additional machinery for dealing with such infractions.

13. To request 27: Finding 27 is objected to as immaterial, in that the Government's original Bill never charged defendants with control of the sources of market news, except as control of stockyard facilities involved "peculiar and exclusive access to information concerning receipts and sale of livestock," etc. There is no evidence that this condition has substantially changed since the entry of the consent decree.

14. To request 29: Finding 29 is objected to as immaterial, in that it shows no relation between such changes and the issues here in controversy.

15. The findings requested are objected to generally on the ground that, standing alone, and without the aid of additional facts the finding of which is separately requested by the Government, they are inadequate to enable a proper determination of the issues presented.

Respectfully submitted.

H. B. Teegarden, Special Assistant to the Attorney General.

[fol. 1698] [File endorsement omitted.]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

OBJECTIONS TO THE MODIFIED DECREE AND TO THE MAKING OF FINDINGS OF FACT AS PROPOSED BY THE PETITIONERS—Filed Dec. 4, 1931, as of Jan. 31, 1931

Interveners, American Wholesale Grocers Association and National Wholesale Grocers' Association, object to the making of findings of fact proposed by petitioners herein and for cause therefor say:

1. Paragraphs 2, 3, 4, 5, 6 and 11 should be supplemented by adding thereto the fact as found by the Court in its Opinion that representatives of petitioners cooperating with other defendants and other packers and with distributors of meat products have heretofore in Texas, Oklahoma, Missouri, Iowa, Nebraska, Wisconsin, Montana, New Jersey and New York, combined to restrain trade and to coerce competitors into practices proposed and pursued by petitioners.

2. Paragraph 10 of the proposed findings of petitioners should be supplemented by inserting the word "now" before the word "has".

3. It is respectfully submitted that the reduction in costs [fol. 1699] of doing business stated in proposed findings 12 and 13 has not been proven and that it is a fair inference that there will be no advantage to consumers by the extension of the business of petitioners referred to in these paragraphs.

4. Paragraphs 14, 15, 19, 24, 25 and 28 refer to changed conditions. Each of these paragraphs should be supplemented by the statement or finding that there is nothing in the changed conditions that was not foreseeable on February 27, 1920.

5. It is respectfully submitted that the evidence does not justify defendants' proposed findings or any of them and particularly that the evidence does not justify defendants' proposed findings 12, 13 and 16 or any of them.

Comment

It may be true that some of the defendant packers and one of the petitioning defendants do not earn a wholly satisfactory margin of profit. One of the petitioning defendants, Swift & Company, does earn a fair margin of profit, and the evidence conclusively shows that whatever failure, if any, there is to earn a profit is not attributable to the Consent Decree.

It should be found as a fact, as stated in substance in the Opinion of the Court, that petitioners failed fully to disclose facts as to their methods of business before and after 1920 and failed to establish that the losses, if any, suffered were attributable to the Consent Decree.

6. Particular objection is made to defendants' proposed finding 20 upon the ground that the evidence clearly sustains the proposition and the Court's Opinion indicates that [fol. 1700] the defendants do enjoy an advantage through the ownership and operation of refrigerator cars and peddler cars.

7. Objection is made to finding 21 upon the ground that it should be amplified or supplemented by finding that the Packers and Stockyards of 1921 would more strictly have sought to control the defendant packers, except for the fact that the Senate and House of Representatives of the United States, in considering this legislation, considered this Consent Decree of February 27, 1930 to be a permanent fact.

8. It should be stated as supplementing Paragraph 26 that interveners contend, presenting such contentions by motion heretofore overruled, that this Court is without jurisdiction or power to modify the Decree of February 27, 1920.

Conclusions of Law

Interveners have heretofore presented in briefs and oral arguments their contentions as to the law of the case and do not here repeat such contentions. They do, for the reasons set forth in the said briefs and arguments, here object to each and all of the conclusions of law proposed to this Court by the petitioning defendants.

Respectfully submitted.

Breed, Abbott & Morgan, Edgar Watkins, Attorneys for Interveners.

[fol. 1701] In Supreme Court of the District of Columbia

[Title omitted]

Objections of Swift & Company and Armour and Company to the Government's Request for Findings of Fact—Filed Dec. 4, 1931, as of March 17, 1931

Now comes the defendants, Swift & Company and Armour & Company, and object and except to the Government's requests for findings of fact in the above-entitled cause, and in support thereof, allege and represent to the Court the following:

1. The findings requested by the Government are mere recitals of evidence instead of findings of ultimate facts as required in equity procedure. If the Court does not confine its findings to ultimate facts, but makes findings upon particular aspects of the evidence as requested by the Government, the petitioning defendants should be afforded an opportunity to submit requests for findings of evidence in order to supplement, complete and correct the partial presentation of evidence contained in the Government's proposed findings.

2. The recitals of evidence contained in the findings requested by the Government are incomplete in that in many instances only evidence deemed favorable to the Government's contention is presented and other evidence necessary to a presentation of the same subject-matter is ignored.

3. The modification of the decree of February 27, 1920, was sought and has been granted because of changed conditions and the findings of fact requested by the Government ignore changes in conditions and established trends and are confined to a partial presentation of evidence as to present conditions.

4. The findings requested by the Government are not supported by record references, but only by references to [fol. 1702] the Government's brief and in many instances the portion of the Government's brief referred to discloses that the finding requested is not based upon evidence, but upon argument, inferences or deductions drawn from portions of the evidence or upon estimates made by the Government in its brief.

5. The evidentiary nature of the findings requested by the Government is illustrated by its Finding No. 1, which makes a distinction between slaughtering and non-slaughtering packers. The finding requested contains but a partial presentation of the evidence on this subject. It does not disclose that the processing part of the packing business is the most profitable branch of the industry as is shown by the fact that 245 non-slaughtering packers under the jurisdiction of the Packers and Stockyards Administration in 1929 earned a net profit of $25,855,501.34 from sales of $447,229,982.22, whereas in the same year the four defendants and their subsidiary corporations earned a net profit of $27,945,776.75 on sales of $2,558,742,455.18 (Government's Exhibit 7; see also Court's opinion). The Government's Finding No. 1 states that the non-slaughtering packers are dependent upon the slaughtering packers for their raw material, but does not mention the fact that non-slaughtering packers occupy this position from choice because of their ability to purchase carcasses or other wholesale cuts at a lower cost than that at which the commodity could be acquired by slaughtering. No reference is made in the Government's proposed finding to the testimony of Frederick Synder to the effect that hogs invariably show a cutting loss and that his concern purchases carcass meat from approximately 100 western packers because experience has shown that this method of doing business is more profitable than engaging in slaughtering as well as processing (Record 775-776).

6. The evidentiary nature of the Government's requested findings is further illustrated by its proposed Findings Nos. 2 and 22, relating to the extent to which chain store organizations have engaged in meat packing operations and meat packers in chain store operations. The fact that the Kroger Grocery & Baking Company is engaged in the slaughter of live stock is referred to in requested Finding No. 2, but no reference is made to the fact that the Kroger Company operates a large sausage-making plant at Detroit, Mich., nor to the fact that the Great Atlantic & Pacific Tea Company had 15 plants under Federal inspection in 1929, [fol. 1703] (Record 1669-70), whereas it had none in 1920 (Record 1663) and performs various functions heretofore performed exclusively by packers, such as bacon-slicing, warehousing and distributing meats and meat products from central warehouse points; nor to the fact that the First National Stores has just recently completed a large plant under Federal inspection at Somerville, Mass., where it is performing the following operations: meat processing, meat cutting, bacon slicing, sausage making and meat warehousing, all of which are functions of packers. Petitioner's Exhibit 90 contains a list of 83 chain store organizations which perform meat packing operations.

With respect to proposed Finding No. 22, no reference is made to the fact that Adolph Goebel, Inc., a large meat packer with plants at New York, Washington, D. C., Mason City, Iowa and other places, recently embarked in the retail field by the acquisition of the Merkel chain of 30 retail stores having sales of more than $2,000,000 a year (Record 1802); no reference is made to be Hygrade Food Products Co., organized in 1927 which acquired nine concerns engaged in the packing and food business and also the five American plants formerly owned by Allied Packers, Inc., and on February 11, 1928 entered the retail field by acquiring the Bronx Provision Company of New York and its subsidiaries, including a chain of retail stores (Petitioner's Exhibit 71).

Proposed Finding No. 22 attempts to minimize the importance of retailing operations of packing concerns in and about Seattle, Washington, while as a matter of fact, Frye & Company, of Seattle, Wash., a slaughterer and meat packer has total sales of meats of about $12,000,000 annually and its sales of meats at retail amount to about

$3,000,000 per annum (Record 1421); Carstens Packing Company, a slaughterer and meat packer with plants at Tacoma and Spokane, Washington, operates 48 retail stores and sells 40% of its product at retail (Record 1422-23).

The comments heretofore made with respect to the first, second and twenty-second findings requested by the Government clearly illustrate that those findings are not findings of ultimate facts, but findings as to particular portions of the evidence and that if the Court is to make findings of this character, it will be confronted with the duty of incorporating in each finding all of the evidence necessary to a complete presentation of the particular subject dealt with.

[fol. 1704] 7. The fact that the findings requested by the Government ignore changed conditions and the development and growth of chain store organizations since 1920, and the pronounced upward trend, is illustrated by the Government's Finding No. 3 which states that 900 centrally owned chain store systems in the United States embrace a total of 60,000 constituent stores with estimated total sales of $3,500,000,000 annually and that such stores contain 15,800 meat departments. The situation which existed in 1920 and the growth in chain store organizations and in fresh meat departments operated in chain stores are entirely ignored. A complete presentation of the evidence on this particular subject is contained in the following portion of the Court's opinion:

"In 1920, there were about 15,000 chain stores with some 1200 fresh meat departments. In 1929 the number of chain stores had increased to 60,000 of which 15,800 sold fresh meats. In 1921, the A. & P. had 4638 retail stores with sales of some $230,000,000 with no fresh meat departments. In 1929 it had 15,000 stores with sales of over $1,000,000,000 and of these stores 3851 handled fresh meats. Kroger & Co., operating a chain of grocery stores increased its sales of meat from $6,000,000 in 1920 to over $40,000,000 in 1929 and also in the latter year did a meat packing business of over $10,000,000."

8. The statements contained in Government's Findings 4 and 5 were not proved by either oral or documentary evidence, but are arrived at by means of estimates made,

not by witnesses, but by Government counsel in its brief. These estimates are based upon Great Atlantic & Pacific Tea Company figures upon the assumption that its meat business is fairly representative of all chain store organizations in the country. By using the figures of the Kroger Grocery & Baking Company or Safeway as a basis, radically different results would be obtained.

9. The statement contained in Government's Finding 13 to the effect that meat packing concerns other than the defendants frequently sell as much as 10% of their total output to chain stores and do not consider such business in any way undesirable, is immaterial, because the packers whose testimony is referred to in support of this statement, do not have branch house systems. Shipments of meat directly from packing plants to chain store warehouses conform to the small packer's usual method of doing business but in the case of the large packer it means a diversion of volume from the existing branch houses (Record 2128). The same comments are applicable to Government's Finding No. 14.

[fol. 1705] 10. Government's Finding No. 23 states that meat packing concerns do not handle general lines of unrelated commodities to any important extent and page thirty of Government's brief is cited in support of this statement. The only evidence referred to at page 30 of Government's brief is Petitioner's Exhibit No. 89 but this contains a list of 143 competing meat packing companies all engaged in the business of selling various unrelated commodities.

11. The statement contained in Government Finding No. 24 to the effect that the proportion of the nation's slaughtering controlled by Swift & Company and Armour and Company in 1920 as compared with that controlled by them at the present time, has not changed to any marked degree, is not sustained by the record. Petitioner's Exhibit No. 10 prepared from Government records by Charles B. Burmeister of the Department of Agriculture shows that while the proportion of the slaughtering done by Swift & Company and Cudahy Packing Company increased from 1920 to 1929, the slaughter of Armour and Company and Wilson & Company suffered a decrease during the same period.

On a sales volume basis each of the defendants suffered a decrease while the sales volume of leading non-defendant packers showed enormous increases (See Court's opinion). Government's Finding No. 24 is further objectionable in that it combines the slaughtering figures of Swift & Company and Armour and Company for purposes of comparison though the record shows that Swift & Company and Armour and Company are independently owned and are active competitors (Stipulation, record 1811-12, White, record 1877; Swift, record 2066, Cudahy, record 2312; Eagle, record 2481).

12. Government's Finding No. 25 is likewise objectionable in that it combines the slaughter of the four defendants for the purpose of making comparisons instead of treating these independently owned and operated concerns separately. The slaughter figures contained in Government's Finding No. 25 do not prove the amount of competition existing in either buying or selling in the packing industry because they ignore the buying of stockers and feeders and purchases by traders and speculators and ignore the business of intra-state packers, non-slaughtering packers, wholesale meat dealers, retail slaughterers and farm slaughter (see pages 62 to 68 of the Petitioning Defendants' Brief).

[fol. 1706] 13. The statements made in Government's Finding 26 regarding the profits of the defendants (again considered collectively without justification) as compared with the profits of their competitors are based upon Government's Exhibits 21 to 23 which are inaccurate for the reasons stated at pages 73 to 76 of petitioning defendants' brief. The figures contained in said exhibit and in Government Finding 26 are contrary to the percentage figures contained in the Court's opinion and contrary to the court's statement that "so that under any method of comparison it does appear that the net profits of the defendants are small as compared with that of their competitors."

14. Government's Findings 27 and 28 likewise combine the production figures of Swift & Company and Armour and Company without justification.

15. Government Finding No. 32 to the effect that the great bulk of competing packers operate locally only sell-

ing their products usually within a radius under 200 miles from their point of production, is not supported by the record. The Finding refers to page 46 of the Government brief which in turn refers to the testimony of Mayer, Hunter, Heil, Shantz and Madden. These references do not support the finding; furthermore, Morrell & Company (Record 1796); Rath Packing Company (Record 1799); Jacob Dold Packing Company (Record 1800); Hormel & Company (Record 1808) and Adolph Goebel, Inc. (Record 1801-1805) and various others do a substantial business in all of the principal markets of the United States.

16. The statement contained in Government Finding 34 to the effect that the defendant's actions with reference to the fat-rendering business in New York, the sale of meats in Texas and Oklahoma and the creamery business in western states, constitutes "unfair and collusive competitive practices," is an incorrect conclusion of law and contrary to the weight of the evidence. The evidence in the record on these subjects is discussed in petitioning defendants' brief at pages 224-231.

17. The Government conceded upon the trial of this cause that whatever reciprocal relations existed between the petitioning defendants and certain railroads were not illegal and that reciprocity is general and not peculiar to Swift & Company and Armour and Company. Furthermore, the record shows that this admittedly legal practice had been [fol. 1707] discontinued prior to the trial of this cause (Record 2091). The Government's statement of the nature of the practice is inaccurate for the reasons stated in petitioning defendants' brief at pages 221-224.

18. The inference contained in Government's Finding No. 39 to the effect that the defendants or anyone could ship "wholesale groceries" free of transportation costs, to which wholesale grocers are subject, is contrary to the decisions of the Interstate Commerce Commission, if done would be illegal, and is contrary to the record in this cause for the reasons stated in petitioning defendants' brief at pages 207-221.

19. The statements contained in Government's Findings 41, 42 and 43 covering minimum freight requirements and the effect of the shipment of groceries by defendants, are

not sustained by the record and are contrary to the decision of the Interstate Commerce Commission (62 I. C. C. 375) rendered in a proceeding to which defendants and other packers and the interveners were parties. In that decision the Interstate Commerce Commission held that the practices of railroad companies in permitting meat packers to load articles of groceries in their peddler cars and branch house cars did not result in undue prejudice to wholesale grocers or unduly prefer the packers.

20. The statements contained in Government Finding 44 that integration is not necessary to enable the advantageous development and use of the quick-freezing process or to afford the public the benefits thereof and the statement that it may be expected that the use of the process will be found more profitable if restricted to a few of the larger concerns in the meat packing industry, are not sustained by any evidence in the record, but are merely the conclusions of counsel for the Government.

21. The statement contained in Government Finding 45 to the effect that the ownership of public stockyard market facilities by the defendants or any of them is implicit with danger of agreements, discrimination and other preferential treatment, is disproved by the complete and thorough regulation and supervision of all public stockyards by the Secretary of Agriculture under the Packers and Stockyards Act, 1921; no record reference or even brief reference is given to support this finding and none can be given.

[fol. 1708] 22. The statements contained in Government Finding 46 are based upon the expressions of opinion by certain witnesses, but the facts in the record show that various meat packing concerns such as Adolph Goebel, Inc., (record 1802), Frye & Company, (record 1421), Carstens Packing Company (record 1422-23) Hygrade Food Products Company, (record 1976) are successfully engaged in selling meats at both wholesale and retail and that other concerns such as Tolerton & Warfield Co., (record 1691); S. M. Flickinger & Co., (record 3005), Drug, Inc., (record 1828-29) are also engaged in selling commodities in which they deal at both wholesale and retail.

23. The statement contained in Government Finding 47 to the effect that the privilege of retailing if not used would be of no advantage to the petitioning defendants except for use as a threat against competitors or customers, involves a misunderstanding of the testimony by the President of Armour and Company (record 1874-75). In discussing this subject, the President of Armour and Company made no reference to competitors, but was discussing the fact that under the present restrictions his company is at a disadvantage in trading with chain store organizations because those organizations have the knowledge that defendants cannot engage in the sale of meats at retail, no matter how unsatisfactory business relations with chains might become, whereas the chain organizations are free to go into the packing business if they desire to do so and some of them are actually in the business now. The testimony of the President of Armour and Company clearly shows that he was not referring to the acquisition of an advantage to be used as a threat over the chain stores, but to the elimination of an existing handicap.

24. The statement contained in Government Finding 51 to the effect that the larger chain store concerns are dependent upon the defendants for a supply of meat products adequate to their needs, is disproved by the statistics compiled by the Great Atlantic & Pacific Tea Company showing it purchases 14% of its meat from Swift & Company, 12% from Armour and Company, 8½% thereof from Wilson & Company and Cudahy Packing Company combined, and 65½% from other packers (Record p. 1130; Government Exhibit No. 4).

In the foregoing objections, the petitioning defendants [fol. 1709] have not endeavored to supplement or complete the statements of evidence contained in the proposed findings requested by the Government. The presentation of all of the material evidence contained in the record bearing upon the various subjects referred to in the Government's Findings would have been contrary to the rules of equity practice and procedure. We have not commented specifically upon each and every finding requested by the Government, but we submit that the foregoing objections illustrate that the findings requested by the Government

are evidentiary in their nature, and for that and other reasons above set forth should not be made.

Respectfully submitted.

Henry Veeder, Paul M. Godehn, Nelson T. Hartson, Frank J. Hogan, Attorneys for Swift & Co. et al.
Charles J. Faulkner, Jr., Paul M. Godehn, Nelson T. Hartson, Frank J. Hogan, Attorneys for Armour and Company et al.

[fol. 1710] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

AMENDMENT TO THE OBJECTIONS OF SWIFT & COMPANY AND ARMOUR AND COMPANY TO THE GOVERNMENT'S REQUEST FOR FINDINGS OF FACT.—Filed Dec. 4, 1931, as of March 23, 1931

Now come the defendants, Swift & Company and Armour and Company, and amend their objections heretofore filed herein on March 17th, 1931, to the Government's request for findings of fact in the above-entitled cause, by adding thereto at page six, the following paragraph (13½):

(13½). The percentage figures contained in the Government's findings 25 and 26 purporting to show the percentage of interstate packing business done by the petitioning defendants and other defendants hereto are objected to for the following reasons, in addition to those contained in paragraphs (11) and (12).

1. The basic sales figures used in arriving at the percentages contained in Government's findings 25 and 26 include sales of non-packing house products and there is no justification for including sales of such products in a comparison supposedly made to show the proportion of interstate meat business controlled by the defendants. The sales figures used as to Swift & Company and Armour and Company and the other defendants include their sales of butter, eggs, cheese, poultry, cottonseed oil, soap, fertilizer and many other nonpacking house products.

2. The defendants' position with regard to products other than meats should be considered only in relation to

the total production of each such product separately. Petitioners' Exhibits 114, 138 and 142 and the stipulation of November 12, 1930 show that the proportion of the total production of certain other products handled by Swift & Company and Armour and Company were as follows in [fol. 1711] 1920 and 1929:

	Swift percentage		Armour percentage	
	1920	1929	1920	1929
Butter	4.81	5.59	6.60	4.60
Cheese	16.60	11.95	20.00	10.00
Poultry	5.73	5.12	4.80	3.00
Eggs	5.35	6.20	4.20	3.40
Lard Substitutes	17.00	20.00	17.00	15.00

3. If a comparison is to be made of the meat business done by the defendants as compared with the meat business done by other slaughtering packers engaged in interstate commerce, the most accurate basis available for making such a comparison is found in Petitioners' Exhibits 7 and 10. Petitioners' Exhibit 7 shows the total production of meat and lard by packing concerns under Federal inspection and Petitioners' Exhibit 10 shows the total production of meat and lard by the defendants and their affiliated and subsidiary corporations. These two exhibits show that in the year 1929 Swift & Company produced 22.8% of the total production of meat and lard by packers under Federal inspection; that Armour and Company produced 21.1% thereof, Cudahy Packing Company 7.1% thereof and Wilson & Company 6.4% thereof. The defendants insist upon their objection heretofore made, that there is no justification for combining the businesses of the competing defendants in making a comparison, but in reply to the combined figures set forth in the Government's finding, the defendants allege that the Petitioners' said exhibits 7 and 10 show that in 1929 Swift and Armour combined produced 43.9% of the total production of meat and lard by packers under Federal inspection, and that the four defendants combined produced 57.4% of the total production of meat and lard by packers operating under Federal inspection.

The petitioning defendants do not waive but reiterate their objections heretofore made, that the figures contained in the Government's findings 25 and 26 ignore the

competition of stocker and feeder buyers, traders and speculators, intrastate packers, non-slaughtering packers, [fol. 1712] wholesale meat dealers, retail slaughterers and farm slaughterers.

Respectfully submitted.

Henry Veeder, Paul M. Godehn, Nelson T. Hartson, Frank J. Hogan, Attorneys for Swift & Co. et al. Charles J. Faulkner, Jr., Paul M. Godehn, Nelson T. Hartson, Frank J. Hogan, Attorneys for Armour and Company et al.

[fol. 1713] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

OBJECTIONS OF SWIFT & COMPANY AND ARMOUR AND COMPANY TO THE INTERVENERS' REQUESTS FOR FINDINGS OF FACT—Filed Dec. 4, 1930, as of March 17, 1931

Now come the defendants, Swift & Company and Armour and Company and object and except to the requests for findings of fact in the above entitled cause made by the American Wholesale Grocers Association and National Wholesale Grocers Association, interveners herein, and in support of such objection and exception, allege and represent to the Court the following:

(1) The findings requested by the interveners are mere recitals of evidence instead of findings of ultimate facts as required in equity procedure.

(2) The recitals of evidence contained in the findings requested by the interveners are incomplete in that in many instances only evidence deemed favorable to the interveners' contentions is presented and other evidence necessary to a presentation of the same subject-matter is ignored.

(3) The modification of the decree of February 27, 1920 was sought and has been granted because of changed conditions and the findings requested by interveners ignore changes in conditions and established trends and are confined to a partial presentation of evidence as to present conditions.

[fol. 1714] The seventy-eight findings requested by interveners are not considered or commented upon herein separately because the Court at the time of the entry of the decree of January 31, 1931 stated that the findings requested by interveners were improper because evidentiary in their nature and therefore would not be given.

Respectfully submitted.

Henry Veeder, Paul M. Godehn, Nelson T. Hartson, Frank J. Hogan, Attorneys for Swift & Co. et al.
Charles J. Faulkner, Jr., Paul M. Godehn, Nelson T. Hartson, Frank J. Hogan, Attorneys for Armour and Company et al.

[fol. 1715] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

FINDINGS OF FACTS—Filed March 26, 1931

From the evidence presented in this cause upon the hearing of petitions for modification of the Decree of February 27, 1920, herein, the Court finds:

1. That defendants Swift & Company and its subsidiaries, Armour & Company and its subsidiaries, Cudahy Packing Company and its subsidiaries, and Wilson & Company and its subsidiaries, considered as four entities, are each owned and controlled independently of each other.

2. That there now exists in the meat packing industry in the United States active competition among a large number of individuals, firms and corporations, including defendants herein, in the purchase of live stock and in selling of the products thereof.

3. That there have been a few sporadic instances of unfair practices and fixing of prices by the defendants, which are more fully set out in my opinion filed in this case. But that apart from these there exists no contracts, agreements, understandings, combinations or conspiracies among the defendants, or between any two of them, in restraint of trade or commerce among the States; no fixing of prices to be paid by them for live stock, raw materials,

[fol. 1716] or products for resale, bought by defendants or any of them; no fixing of prices at which defendants or any of them shall sell products dealt in by any of them; and no apportioning among defendants, or between any two of them, of territory in which, or customers with whom, they, or any of them, shall conduct business.

4. That defendants in purchasing live stock from producers and their representatives are in keen and active competition with each other, and with many other buyers of live stock, and do not subject the sellers to any unfair trade practices and do treat them fairly; and that these fair and competitive conditions apply to purchases of live stock made by defendants (a) at public stockyard markets, (b) at their own private stockyards, and (c) when buying directly from the producer, or his agent, at or near places of production.

5. That defendants in the sale of their products are in keen and active competition with each other and with numerous others selling similar products and their competitive practices in the sale of their products are fair and lawful.

6. That in the transaction of their business defendants' treatment of customers is fair and lawful.

7. That none of the defendants has a monopoly in the meat packing industry.

8. That neither the four defendants, nor any two of them, are combined to monopolize or to attempt to monopolize the meat packing industry.

9. That each of the defendants could materially reduce the cost of distributing meats and other live stock products if it engaged in selling, dealing in and transporting food-[fol. 1717] stuffs other than, and in addition to, meat food products.

10. That each of the defendants, by dealing in foodstuffs other than, and in addition to, meat food products, would be enabled to so distribute its overhead and sales costs as to effect economies in the distribution of both meats and other live stock products and of nonmeat-food products.

11. That during the ten years, 1920 to 1930, food manufacturing and distributing concerns, other than defendants, have greatly grown in volume of business, financial strength, and earning power; that there has been a marked growth (a) in the integration of concerns dealing in various lines of foods into single manufacturing, selling and distributing organizations; (b) in the integration by food concerns in the handling of products from manufacturers to consumers; and (c) in the diversification of products handled by manufacturers, wholesalers and retailers; and the trend is toward further integration and diversification.

12. That since 1920 conditions have materially changed in the methods of marketing food products by reason of (a) a great increase in the number of regularly organized retail chain food store companies; (b) the grouping together for cooperative and concerted action of large numbers of wholesale and retail food establishments in what are called voluntary chains; (c) an increasing number of combination food wholesaling and retailing establishments with the resulting reduction in such single line establish-
[fol. 1718] ments as grocery stores, vegetable and fruit stores, and meat markets; (d) the combining with grocery establishments of departments or markets for the selling of meats; and (e) the engaging by concerns retailing foods on large scale in the functions usual to wholesale and branch house distribution, and in the functions of manufacturing and processing meat products and other foods.

13. That if defendants were to engage in handling food products additional to products they are now dealing in, there is no probability that they could or would acquire a monopoly of, or control the quantity and prices of, the foods produced and/or consumed in the United States.

14. That there is keen and active competition throughout the general food industry in the United States in manufacturing, wholesaling, and retailing.

15. That there is no monopoly now existing in the United States in the manufacture, preparation, or sale of foods. Food is now produced in greater volume and variety than ever before.

16. That during the past ten years retailing organizations in groceries, vegetables, fruits and meat lines have

greatly increased in volume of business, financial strength, earning power, and buying power, have widely extended their fields of operation, and have diversified the products handled.

17. That during the past ten years, (a) the increase in the number of railroad refrigerator cars, not owned by the defendants, available to all who need to use such equipment in their businesses, has resulted in there now being ample equipment of that character for any and all who need them; (b) the increase in the use of motor trucks for the transportation of food products and the extending of the areas of their operation by reason of the great increase in good [fol. 1719] roads, and the increase in the transporting by motor trucks of products by packers competing with defendants and by wholesale grocers in making deliveries to their customers, have combined to deprive defendants of any advantage which the ownership of refrigerator cars formerly gave them, and none of the defendants enjoys any undue preference or advantage by reason of its ownership of refrigerator cars.

18. That the administration of the Packers and Stockyards Act, 1921, by the Secretary of Agriculture, and the division of his Department set up by him therefor, subjects the defendant packers, in common with all other packers subject to the act, to complete supervision of their activities upon public stockyard markets and constitutes a real change in the conditions which existed at the time of the entry of the Decree of February 27, 1920, which change necessarily would greatly limit the power of the defendants to acquire a monopoly.

19. That none of the defendants has or can obtain control of the sources or dissemination of market and trade news respecting the live stock, the meat, or the general food markets.

20. That full and complete, prompt and unbiased market reports of all information usual and necessary for the guidance of live stock producers, agriculturists, manufacturers, wholesalers and retailers, in all lines of the food industry in the United States, are now available to all interested in such reports.

21. That conditions in the methods of doing business in the food industry in the United States have changed greatly since 1920.

22. That all of the defendants have in open court con-
[fol. 1720] sented to the ordering by this Court of such modification of the Decree of February 27, 1920, as this Court after hearing shall find just and equitable.

23. All parties consenting to the Decree entered herein February 27, 1920, concede the jurisdiction and power of this Court to modify said Decree.

[fol. 1721] Conclusion of Law

From the foregoing findings of fact the Court draws the following conclusions of law:

1. None of the defendants is now engaged in violating, attempting, or threatening to violate any of the provisions of the anti-trust laws of the United States.

2. This Court has power in virtue of the provisions of Paragraph Eighteenth of its Decree entered herein February 27, 1920, to modify said Decree in such respects as the Court finds justified in the public interest and in justice to the defendants.

3. This Court has inherent power to modify its said injunctive decree in such respects as the Court find justified in the public interest and in justice to the defendants.

4. The consent of the United States and all other original parties who consented to the entry of said Decree is not necessary to the exercise of the Court's aforementioned power to modify.

5. The provisions of Paragraph Eighteenth of said Decree constitute consent by all of the parties that the Court may entertain at any time any application for modification of the Decree and enter its order thereon.

6. Upon the facts pleaded and proved in the proceedings herein seeking modification of the injunctions of the Decree of February 27, 1920, the Court concludes that modification should be made in said Decree, as hereinafter ordered, because (a) the ends of justice would be served by such modification; (b) the changes in the statutory law and in

judicial construction given the Sherman Anti-Trust Act, [fol. 1722] since the entry of the Decree, justify modification; (c) changed conditions in the food industry during the past ten years justify modification in the public interest; and (d) changes in the controlling facts on which the injunctions of the Decree rested justify modification in justice to defendants.

7. The Decree of this Court entered in this cause on February 27, 1920, should be modified as set forth in Order entered herein January 31, 1931.

By the Court this 31 day of January, 1931.

Jennings Bailey, Justice.

[fol. 1723] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

EXCEPTIONS TO FINDINGS—Filed March 30, 1931

Now comes the plaintiff in the above-entitled cause and files the following exceptions to the findings of fact and conclusions of law made and entered by This Honorable Court in the above-entitled cause on March 26, 1931:

1. Plaintiff takes exception to findings of fact of this Court numbered respectively 3, 5, 6, 11, 12, 13, 17 and 18 in that they are not supported by substantial evidence.

2. Plaintiff takes further exception to the conclusions of law of this Court numbered respectively 1, 6 and 7 in that they are not supported by sufficient findings of fact supported by substantial evidence.

3. Plaintiff takes further exception to the refusal of this Court to make any of the findings requested by the plaintiff numbered 1 through 53, inclusive, in that they are supported by substantial evidence with respect to which there is no conflict or uncertainty, and in that they are material to a determination of the case.

John Lord O'Brian, John Lord O'Brian, The Assistant to the Attorney General. William D. Mitchell, Attorney General. Thomas D. Thacher, Solicitor General. H. B. Teegarden, Special Assistant to the Attorney General.

[fol. 1724] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

EXCEPTIONS TO THE COURT'S FINDINGS OF FACT AND CONCLUSIONS OF LAW AND TO HIS REFUSAL TO MAKE FINDINGS OF FACT AND CONCLUSIONS OF LAW AS REQUESTED BY THE AMERICAN WHOLESALE GROCERS ASSOCIATION AND INTERVENERS JOINING WITH IT AND NATIONAL WHOLESALE GROCERS ASSOCIATION—Filed March 30, 1931

Come now the undersigned interveners and except to the Findings of Fact filed herein by the Court for the following reasons:

1. That said Findings of Fact are based upon the general assumption that the petitioners, the United States of America and the interveners joining therewith, should establish by evidence the facts on which the Court acts and the Court erred in adopting such principles and in not holding that the burden of proof was upon the petitioners, Swift & Company and Armour & Company, defendants to show facts justifying the granting of such petitions.

2. The 3rd Finding of Fact is in conflict with the evidence and not supported by any substantive testimony.

3. The Court's 5th Finding of Fact is in conflict with the evidence and with the Court's opinion and is not supported by substantial evidence.

[fol. 1725] 4. The Court's 7th and 8th Findings of Fact are immaterial and irrelevant to any issue in the case, the issue being whether or not there is threatened danger of monopoly.

5. The Court's 9th and 10th Findings of Fact are without substantive evidence to support them.

6. The Court's 11th and 12th Findings of Fact are without substantive evidence to support them and are inadequate in that they fail to show:

(a) That the matters and things therein referred to existed in part prior to 1920;

(b) That the evidence shows that there is a tendency at present to lessen the power of these competing integrations.

7. The 13th and 15th Findings of Fact of the Court are without evidence to support them.

8. The Court erred in its 16th Finding of Fact in taking a part of the retail business as applicable to all, the evidence showing that many retailers have lessened their earning and buying power.

9. The Court's 17th Finding of Fact errs in its failure to consider the evidence showing that railroad refrigerator cars are not available to the competitors of the petitioning defendants.

10. The conclusion of the Court in its 21st Finding is but a conclusion and not a Finding of Fact and is not supported by the evidence.

11. The 22nd and 23rd Findings of Fact are inadequate in that they fail to show that these interveners, parties plaintive by intervention, objected to the Court's jurisdiction.

[fol. 1726] Exceptions to Conclusions of Law

These interveners except to all the Court's Conclusions of Law as will hereinafter be more fully set out in the Assignment of Errors herein.

Exceptions to the Court's Failure to Make Findings of Fact

These interveners except to the refusal of the Court to make the Findings of Fact stated in their applications therefor, the first of such applications being filed prior to the entry of the Decree herein and the second at the suggestion of the Court being filed thereafter and while the Court had under consideration the making of the Findings of Fact.

Exceptions to the Court's Refusal to Make Conclusions of Law

These interveners except to the refusal of the Court to adopt and conclude the law as stated in their joint request therefor.

Wherefore these interveners respectfully pray that this, their exceptions, be allowed and filed as part of the record herein.

Edgar Watkins, Counsel for American Wholesale Grocers Association, Henry G. Sears & Company, John Hoffman & Sons, Mason Ehrman & Company, J. H. Radford Grocery Company, Southern Distributing Company, Hall Grocery Company, Albert Mackie & Co., Ltd., Hicks Company, Rapides Grocery Company, Inc., and Oliver Finnie Grocery Company. William C. Breed, Breed, Abbott & Morgan, Counsel for National Wholesale Grocers Association of the United States.

[fol. 1727] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

ASSIGNMENT OF ERRORS—Filed March 30, 1931

Now comes the plaintiff in the above-entitled cause and files the following assignment of errors upon which plaintiff will rely upon its prosecution of the appeal in the above-entitled cause from the order made and entered by this honorable court on the 31st day of January, 1931, as amended by order dated February 26, 1931.

This court erred:

1. In that it failed to dismiss the amended petitions of the defendants Swift & Company and others and of the defendants Armour & Company and others for want of equity.

2. In that there was a failure to prove any change in conditions affecting the power of the defendants to restrain or monopolize interstate trade or commerce since the entry of the original decree sufficient to justify the modification thereof.

3. In that its findings of fact fail to support its conclusions of law.

4. In that its findings of fact numbered 3, 5, 6, 11, 12, 13, 17 and 18 are not supported by substantial evidence.

5. In that its conclusions of law are not supported by any findings of fact supported by substantial evidence.

6. In finding that during the past ten years the increase in the use of motor trucks for the transportation of food [fol. 1728] products and the extending of the areas of their operation by reason of the great increase in good roads, and the increase in the transporting by motor truck of products by packers competing with defendants and by wholesale grocers in making deliveries to their customers, have combined to deprive defendants of any advantage which the ownership of refrigerator cars formerly gave them; and that none of the defendants enjoys any undue preference or advantage by reason of its ownership of refrigerator cars.

7. In failing to find although the fact appears upon all of the evidence that the use by the defendants of their distributive facilities in the handling of the commodities specified in paragraphs Fourth and Fifth of the aforementioned consent decree is a more potent instrument of monopoly at the present time than when the decree was entered.

8. In failing to find although the fact appears upon all the evidence that no substantial diminution, either relative or absolute, in the power and size of the defendants has occurred since the entry of the aforementioned consent decree.

9. In failing to find although the fact appears upon all the evidence that the strength and power of defendants, both relative and absolute, has increased since the entry of the aforementioned consent decree.

10. In finding in the absence of substantial evidence that if defendants were to engage in handling food products additional to products they are now dealing in there is no probability that they could or would acquire a monopoly of or control the quantity and prices of the food produced and/or consumed in the United States.

11. In finding in the absence of substantial evidence that since 1920 conditions have materially changed in the methods of marketing food products by reason of the engaging by concerns retailing food on large scale in the [fol. 1729] functions usual to wholesale and branch house

distribution, and in the functions of manufacturing and processing meat products and other foods.

12. In finding that the passage of the Packers and Stockyards Act, 1921, constitutes a change which would greatly limit the power of defendants to acquire a monopoly.

13. In concluding that none of the defendants is now engaged in violating, attempting, or threatening to violate, any of the provisions of the antitrust laws of the United States.

John Lord O'Brian, John Lord O'Brian, the Assistant to the Attorney General. William D. Mitchell, Attorney General. Thomas D. Thacher, Solicitor General. H. B. Teegarden, Special Assistant to the Attorney General.

[fol. 1730] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

ASSIGNMENT OF ERRORS ON APPEAL—Filed March 31, 1931

Considering themselves aggrieved by the final decision of the Supreme Court of the District of Columbia in the above entitled cause, the appellants herein, interveners in Supreme Court of the District of Columbia, having filed their petition for appeal herein, assign the following errors in the record and proceedings in the said case:

The Supreme Court of the District of Columbia erred:

1. In overruling on July 3, 1930, the motion of these interveners to dismiss the amended petition to modify the original decree of the Armour and Swift groups of defendants and in not holding:

(a) That the court at the time of the filing of such petition for modification had lost jurisdiction;

(b) That the decree sought to be modified being a consent decree, the court, without consent of all parties to the modification, had no jurisdiction or power to enter the order of modification herein.

2. In decreeing on January 31, 1931 the modification of said decree of February 27, 1920, there being no evidence or findings supporting the decree of modification.

3. In not holding that there was yet danger of monopoly and restraint of trade.

[fol. 1731] 4. In considering the profits of petitioners since 1920 when there was no showing or finding of such profits prior thereto.

5. In granting relief to petitioners, who, as found by the court, had failed to make "a full disclosure of the facts" in respect of their earnings.

6. In finding and concluding that, although agents and employees of petitioners in the conduct of petitioners' business had violated the Anti-Trust Laws that lack of proof of knowledge of such acts of violation by executive officers of such petitioners made such violations unimportant.

7. In modifying the original decree of February 27, 1920 notwithstanding advantages obtained by petitioners from their consent thereto, such advantages so received making it inequitable for petitioners to re-enter the grocery business.

8. In not concluding that the reciprocal buying practices of petitioners constitute a danger of monopoly and restraint of trade which makes a continuance of the decree of February 27, 1920 necessary in the protection of the public and interveners-appellants.

9. In not concluding that the use of peddler cars by petitioners constitutes a danger of monopoly and restraint of trade which makes a continuance of the decree of February 27, 1920 necessary in the protection of the public and of interveners-appellants.

10. In holding that because of the growth of the purchasing power of chain stores there was now no danger of monopoly by petitioners although they were found to have a larger purchasing power than their competitors, the chain stores.

11. In modifying the consent decree to permit petitioners to enter the wholesale grocery business when the court

found and the evidence showed that petitioners refused to disclose what purpose they had in seeking the modification.

[fol. 1732] 12. In making findings of fact and conclusions of law that are unsupported by substantial testimony and contrary to law.

13. In not making findings of fact and conclusions of law as requested by these and other interveners.

For which errors interveners-appellants pray that the said judgment of the Supreme Court of the District of Columbia dated the 31st day of January, 1931, and as amended on the 26th day of February, 1931, in the above entitled cause, be set aside and reversed and a judgment rendered dismissing the petition for modification.

Edgar Watkins, Counsel for American Wholesale Grocers Association, Henry G. Sears & Company, John Hoffman & Sons, Mason Ehrman & Company, J. M. Radford Grocery Company, Southern Distributing Company, Hall Grocery Company, Albert Mackie & Co., Ltd., Hicks Company, Rapides Grocery Company, Inc., and Oliver Finnie Grocery Company.

P. O. Address: Atlanta Trust Co. Building, Atlanta, Georgia.

[fol. 1733] [File endorsement omitted.]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

In Equity. No. 37623

UNITED STATES OF AMERICA, Petitioner-Appellant,

against

SWIFT & COMPANY ET AL., Defendants-Appellees

ASSIGNMENT OF ERRORS BY NATIONAL WHOLESALE GROCERS' ASSOCIATION OF THE UNITED STATES, INTERVENER-APPELLANT—Filed March 31, 1931

Now comes intervener-appellant National Wholesale Grocers' Association of the United States in the above-

entitled cause, by its Attorneys, Breed, Abbott & Morgan, and says that there is manifest error in the final decree, made and entered herein by the Supreme Court of the District of Columbia on January 31, 1931, and files the following assignment of errors, upon which intervener-appellant will rely upon its prosecution of the appeal in the above-entitled cause from the said final decree of January 31, 1931:

1. The Supreme Court of the District of Columbia erred in making and entering the decree herein of January 31, 1931, modifying the consent decree entered in this cause on the 27th day of February, 1920.

2. The Court erred in holding and deciding that the amended petitions of the defendants herein state facts sufficient to entitle said defendants to the relief granted in said decree of January 31, 1931 or to any relief herein.

3. The Court erred in overruling the motions of this intervener to dismiss the amended petitions of the defendants [fol. 1734] herein.

4. The Court erred in deciding that it had power or jurisdiction to modify the said consent decree of February 27, 1920, and in receiving testimony or other evidence upon the amended petitions of defendants herein.

5. The Court erred in modifying said consent decree without the consent of the United States of America and of all the parties to said decree.

6. The Court erred in not dismissing the amended petitions of the defendants herein for lack of equity, and particularly by reason of the failure of the petitioning defendants to comply with the said consent decree and their efforts from the time of its entry, February 27, 1920, to evade or defeat it.

7. The Court erred in not finding and deciding that there is danger of monopoly and of restraint of interstate trade and commerce by and on the part of the defendants.

8. The Court erred in deciding that the testimony or other evidence in this case showed such changes in conditions since the entry of said consent decree of 1920 as to justify the modification thereof.

9. The Court erred in decreeing the modification of the said consent decree, there being no evidence or findings of fact or conclusions of law justifying such modification.

10. The Court erred in granting the amended petitions of defendants for modification, notwithstanding the finding in its filed opinion and decision herein that there had been, on the part of the defendants, "a failure to make a full disclosure of the facts" respecting their earnings; the further finding therein that "all the defendants combined [fol. 1735] control over 70% of the interstate commerce in meat packing; and the further finding therein that certain of the unfair practices charged by the United States against the petitioning defendants "are substantially true".

11. The Court erred in that its Findings of Fact, and particularly Findings numbered 5, 12(e), 13, 17, 18 and 21, are not supported by the evidence; and in that Findings numbered 5 and 13 are at variance with the Findings stated in the said opinion and decision of the Court, which was filed herein January 5, 1931.

12. The Court erred in that its various Findings of Fact, and in particular Findings numbered 12, 13, 17 and 18, are immaterial in so far as said Findings or any of them state or indicate that there is no existing monopoly or restraint of interstate trade or commerce on the part of the defendants; and are speculative and at variance with the evidence and with the said opinion and decision of the Court herein as respects future monopoly, domination or restraint of interstate trade or commerce by the defendants and the danger and potentiality thereof; and the Court further erred in its Findings of Fact in that there is no evidence that any lack of monopoly or restraint of trade or commerce found by the Court is not the result of the said consent decree of February 27, 1920.

13. The Court erred in its Conclusions of Law, and particularly in that Conclusions numbered 1, 6 and 7 are in conflict with the evidence and with the facts found in the Court's said opinion and decision filed herein January 5, 1931; and further in that Conclusions of Law numbered 1, 6 and 7 are in error, for the reason it is established that the [fol. 1736] said consent decree is essential in order to maintain any existing competitive conditions among the de-

fendants in the food industry, and the further reason that there is no evidence and no Finding of Fact based on evidence showing that the maintenance of said consent decree is not essential to prevent monopoly and restraint of interstate trade or commerce.

14. The Court erred with respect to Conclusions of Law numbered 2 to 7, inclusive, inasmuch as said conclusions are erroneous statements of law.

15. The Court erred in failing to make or to rule upon the proposed findings submitted to it by this intervener.

16. The Court erred in its Findings of Fact and conclusions of law as shown in the exceptions on file herein.

Wherefore this intervener-appellant prays that said decree of January 31, 1931 be reversed and that said Supreme Court of the District of Columbia be ordered to enter a decree reversing its said decree and decision herein and be directed to dismiss the said amended petitions of defendants-appelless herein.

Dated March 30, 1931.

William C. Breed, Breed, Abbott & Morgan, Breed, Abbott & Morgan, Attorneys for Intervener-Appellant, National Wholesale Grocers' Association of the United States, 15 Broad Street, New York, N. Y.

[fol. 1737] In Supreme Court of the District of Columbia

[Title omitted]

Petition for Appeal by the United States—Filed March 30, 1931

Comes now the plaintiff, the United States of America, and, conceiving itself aggrieved by the final decree and judgment of this Court made and entered herein January 31, 1931, as amended by order dated February 26, 1931, prays an appeal therefrom to the Supreme Court of the United States.

The particulars wherein they consider said decree erroneous are set forth in the assignment of errors on file, to which reference is made.

Plaintiff prays that a transcript of the record, proceedings, and papers on which said decree was made and entered may be duly authenticated and transmitted forthwith to the Supreme Court of the United States.

John Lord O'Brian, John Lord O'Brian, The Assistant to the Attorney General. William D. Mitchell, Attorney General. Thomas D. Thacher, Solicitor General. H. B. Teegarden, Special Assistant to the Attorney General.

Dated March 30, 1931.

[fol. 1738] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

ORDER ALLOWING APPEAL OF THE UNITED STATES—
Filed March 30, 1931

In the above entitled cause, the plaintiff, the United States of America, having made and filed its petition praying an appeal to the Supreme Court of the United States from the final judgment and decree by this Court made and entered herein January 31, 1931, as amended by order dated February 26, 1931, and having also made and filed an assignment of errors, and having in all respects conformed to the statutes and rules of court in such case made and provided; it is

Ordered and decreed that the appeal be, and the same is hereby, allowed as prayed, and made returnable within thirty days from the date hereof; and the clerk is directed to transmit forthwith a properly authenticated transcript of the record, proceedings, and papers on which said decree and judgment was made and entered, to the Supreme Court of the United States.

Dated March 30, 1931.

Jennings Bailey, Justice of the Supreme Court of the District of Columbia.

[fols. 1739 & 1740] Citation in usual form showing service on Frank J. Hogan et al., filed March 30, 1931, omitted in printing.

[fol. 1741] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

NOTICE OF APPEAL—Filed Dec. 3, 1931

To: Edgar Watkins, Esq., Watkins, Asbill & Watkins, Atlanta, Georgia, Counsel for American Wholesale Grocers Association:

Please take notice that pursuant to the statutes and rules of court in such case made and provided, the plaintiff, the United States of America, does hereby appeal to the Supreme Court of the United States from the final decree and judgment by this court made and entered herein January 31, 1931, as amended by order dated February 26, 1931, so far as said decree and judgment orders the modification in any respect of the consent decree by this court made and entered herein February 27, 1920.

John Lord O'Brian, The Assistant to the Attorney General. William D. Mitchell, Attorney General. Thomas D. Thatcher, Solicitor General. H. B. Teegarden, Special Assistant to the Attorney General.

Service of the foregoing notice of appeal is hereby acknowledged this 30 day of March, 1931.

(Signed) Edgar Watkins, Counsel for American Wholesale Grocers Association et al.

[fol. 1742] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

NOTICE OF APPEAL—Filed Dec. 3, 1931

To Breed, Abbott & Morgan, Esqs., 15 Broad Street, New York, N. Y., Counsel for National Wholesale Grocers Association:

Plase take notice that pursuant to the statutes and rules of court in such case made and provided, the plaintiff, the United States of America, does hereby appeal to the Supreme Court of the United States from the final decree

and judgment by this court made and entered herein January 31, 1931, as amended by order dated February 26, 1931, so far as said decree and judgment orders the modification in any respect of the consent decree by this court made and entered herein February 27, 1920.

John Lord O'Brian, John Lord O'Brian, The Assistant to the Attorney General. William D. Mitchell, Attorney General. Thomas D. Thacher, Solicitor General. H. B. Teegarden, Special Assistant to the Attorney General.

Service of the foregoing notice of appeal is hereby acknowledged this 30 day of March, 1931.

William C. Breed, Breed, Abbot & Morgan, Counsel for the National Wholesale Grocers Association.

[fol. 1743] In Supreme Court of the District of Columbia

[Title omitted]

Notice of Appeal—Filed Dec. 3, 1931

To James D. Cooney, Esq., 4100 South Ashland Ave., Chicago, Illinois, Counsel for Wilson & Company et al.:

Please take notice that pursuant to the statutes and rules of court in such case made and provided, the plaintiff, the United States of America, does hereby appeal to the Supreme Court of the United States from the final decree and judgment by this court made and entered herein January 31, 1931, as amended by order dated February 26, 1931, so far as said decree and judgment orders the modification in any respect of the consent decree by this court made and entered herein February 27, 1920.

John Lord O'Brian, John Lord O'Brian, The Assistant to the Attorney General. William D. Mitchell, Attorney General. Thomas D. Thacher, Solicitor General. H. B. Teegarden, Special Assistant to the Attorney General.

Service of the foregoing notice of appeal is hereby acknowledged this — day of ——, 1931.

—— ——, Counsel for the Wilson Group of Defendants.

[fol. 1744] Filed Dec. 3, 1931

Law Offices Brown, Cooney, Gembick & Ware, 4100 South Ashland Avenue, Chicago, Ill.

April 6, 1931.

Mr. John Lord O'Brian, Assistant to the Attorney General, Department of Justice, Washington, D. C.

DEAR SIR: I am returning to you herewith the notice of appeal in U. S. v. Swift & Company et al., Equity No. 37623, which you forwarded to my associate, Mr. Cooney.

Service of the said notice is hereby acknowledged on behalf of New York-Wilson Company (formerly Wilson & Co., Inc., a New York Corporation), Wilson & Co., Inc., of California, Wilson & Co., Inc., of Louisiana, Wilson & Co., Inc., of Oklahoma, Gotham Hotel Supply Company, Inc., Drexel Packing Co., Albert Lea Packing Company, Inc., Hermitage Lard Company (formerly Mississippi Packing Company, Inc.), and Morton-Gregson Company, these being the Wilson defendants for which the writer and Mr. Cooney appeared in the Supreme Court of the District of Columbia.

Yours truly, (Signed) W. R. Brown.

WRB-L.

[fol. 1745] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

NOTICE OF APPEAL—Filed Dec. 3, 1931

To: J. Harry Covington, Esq., Union Trust Building, Washington, D. C., Counsel for Cudahy Packing Company et al.:

Please take notice that pursuant to the statutes and rules of court in such case made and provided, the plaintiff, the United States of America, does hereby appeal to the Supreme Court of the United States from the final decree and judgment by this court made and entered herein January 31, 1931, as amended by order dated February 26, 1931, so far as said decree and judgment orders the modification

in any respect of the consent decree by this court made and entered herein February 27, 1920.

John Lord O'Brian, John Lord O'Brian, The Assistant to the Attorney General. William D. Mitchell, Attorney General. Thomas D. Thacher, Solicitor General. H. B. Teegarden, Special Assistant to the Attorney General.

Service of the foregoing notice of appeal is hereby acknowledged this 1 day of April, 1931.

J. Harry Covington, Counsel for the Cudahy group of defendants.

[fol. 1746] In Supreme Court of the District of Columbia

[Title omitted]

Notice of Appeal—Filed Dec. 3, 1931

To: Nelson Morris, Esquire, Chicago, Illinois:

Please take notice that pursuant to the statutes and rules of court in such case made and provided, the plaintiff, the United States of America, does hereby appeal to the Supreme Court of the United States from the final decree and judgment by this court made and entered herein January 31, 1931, as amended by order dated February 26, 1931, so far as said decree and judgment orders the modification in any respect of the consent decree by this court made and entered herein February 27, 1920.

John Lord O'Brian, The Assistant to the Attorney General. William D. Mitchell, Attorney General. Thomas D. Thatcher, Solicitor General. H. B. Teegarden, Special Assistant to the Attorney General.

Service of the foregoing notice of appeal is hereby acknowledged this 4th day of April, 1931.

(Signed) Nelson Morris.

[fol. 1747] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

NOTICE OF APPEAL—Filed Dec. 3, 1931

To Henry Veeder, Esq., 33 South Clark Street, Chicago, Illinois, Counsel for Western Meat Co., Oakland Meat & Packing Co., Nevada Packing Co.:

Please take notice that pursuant to the statutes and rules of court in such case made and provided, the plaintiff, the United States of America, does hereby appeal to the Supreme Court of the United States from the final decree and judgment by this court made and entered herein January 31, 1931, as amended by order dated February 26, 1931, so far as said decree and judgment orders the modification in any respect of the consent decree by this court made and entered herein February 27, 1920.

John Lord O'Brian, John Lord O'Brian, The Assistant to the Attorney General. William D. Mitchell, Attorney General. Thomas D. Thacher, Solicitor General. H. B. Teegarden, Special Assistant to the Attorney General.

Service of the foregoing notice of appeal is hereby acknowledged this 8th day of April, 1931.

Henry Veeder, by A. H. Veeder, Counsel for Western Meat Co., Oakland Meat & Packing Co., Nevada Packing Co.

[fol. 1748] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

PETITION FOR APPEAL TO SUPREME COURT—Filed March 31, 1931

The petition of American Wholesale Grocers Association, Henry G. Sears & Company, of Massachusetts, John Hoffman & Sons, of Wisconsin, Mason Ehrman & Company, of Oregon, J. H. Radford Grocery Company, of Texas, Southern Distributing Company, of Virginia, Hall

Grocery Company, of Arkansas, Albert Mackie & Co., Ltd., of Louisiana, Hicks Company, of Louisiana, Rapides Grocery Company, Inc., of Louisiana, and Oliver Finnie Grocery Company of Tennessee, interveners herein, respectfully represents that petitioners are aggrieved by the judgment and decree rendered herein on the 31st of January, 1931, as amended on the 26 day of February, 1931, and that petitioners for the reasons specified in the assignment of errors filed herewith desire to appeal therefrom to the Supreme Court of the United States.

Wherefore, petitioners pray that the said appeal may be allowed and made returnable to the Supreme Court of the United States according to law and that a transcript of the records, proceedings, papers, and exhibits upon which said decree and said amended decree were rendered, duly authenticated, be sent to the said the Supreme Court.

This 30th day of March, 1931.

Edgar Watkins, Counsel for Interveners Named Above.

P. O. address: Atlanta Trust Co. Bldg., Atlanta, Georgia.

[fol. 1749] In Supreme Court of the District of Columbia

[Title omitted]

Order Granting Appeal—Filed March 3 1931

Considering the foregoing petition this day presented, it is ordered that an appeal be allowed to the American Wholesale Grocers Association, Henry G. Sears & Company, of Massachusetts, John Hoffman & Sons, of Wisconsin, Mason Ehrman & Company, of Oregon, J. M. Radford Grocery Company, of Texas, Southern Distributing Company, of Virginia, Hall Grocery Company, of Arkansas, Albert Mackie & Co., Ltd., of Louisiana, Hicks Company, of Louisiana, Rapides Grocery Company, Inc., of Louisiana, and Oliver Finnie Grocery Company, of Tennessee, petitioners herein, and interveners in the above described suit, from the order and decree of January 31, 1931, as amended February 26th, 1931, returnable to the Supreme Court of the United States; ordered that a certified transcript of the record be filed in the Supreme Court of the United States according to law, as prayed, upon petition-

ers, interveners named, giving bond for such costs in the sum of one hundred ($100.00) dollars.

This 30 day of March, 1931.

Jennings Bailey, Justice Supreme Court, District of Columbia.

MEMORANDUM

March 31, 1931—Undertaking, $100, on appeal of American Wholesale Grocers Association et al. approved and filed.

[fols. 1750 & 1751] Citation, in usual form, filed March 31, 1931, omitted in printing.

[fol. 1752] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

NOTICE ON APPEAL—Filed April 28, 1931

To the United States of America, plaintiff and co-appellant; the National Wholesale Grocers Association, intervener and co-appellant, and the defendants in the above styled and numbered cause:

You and each of you are hereby notified that American Wholesale Grocers Association, Henry G. Sears & Company, of Massachusetts, John Hoffman & Sons, of Wisconsin, Mason Ehrman & Company, of Oregon, J. M. Radford Grocery Company, of Texas, Southern Distributing Company, of Virginia, Hall Grocery Company, of Arkansas, Albert Mackie & Co., Ltd., of Louisiana, Hicks Company, of Louisiana, Rapides Grocery Company, Inc., of Louisiana, and Oliver Finnie Grocery Company, of Tennessee, appellants-interveners in the above styled cause, appeal from the judgment or order entered in the above styled cause on the 31st day of January, 1931, and amended on the 26th day of February, 1931, and that on the — day of

March, 1931 the Court entered an order granting such appeal from the whole of said order.

Edgar Watkins, Counsel for American Wholesale Grocers Association et al., Appellants-Interveners, Atlanta Trust Co. Bldg., Atlanta, Georgia.

[fol. 1753] We hereby accept service of notice of appeal, citation on appeal, and copy of præcipe for record on appeal, and waive any and all other and further service and notice.

This 31 day of March, 1931.

John Lord O'Brian, The Assistant to the Attorney General, Counsel for United States of America. William C. Breed, Breed, Abbott & Morgan, Attorneys for National Wholesale Grocers Association. Frank J. Hogan, Nelson T. Hartson, Attorneys for Armour & Company, Defendants Named in Petition of the United States Filed Herein, and the Individuals and Corporations Named Therewith and yet Remaining Defendants. Frank J. Hogan, Nelson T. Hartson, Attorneys for Swift & Company, Defendants Named in said Petition Herein and the Individuals and Corporations Named Therewith and Yet Remaining Defendants.

[fol. 1754] [File endorsement omitted.]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

AFFIDAVIT OF SERVICE—Filed April 21, 1931

William Burke Williamson, of Chicago, Illinois, in the Northern District of Illinois, Eastern Division, being first duly sworn on oath, deposes and says that on April 6, 1931, he personally served the documents listed hereinafter upon James D. Cooney, 4100 South Ashland Avenue, Chicago, Illinois, by informing him of the contents thereof and by leaving with him true copies thereof; that the said James D. Cooney then and there stated to this deponent that he represented as attorney the following nine companies:

New York-Wilson Company (formerly Wilson & Co., Inc., a New York corporation),

Wilson & Co., Inc., of California,
Wilson & Co., Inc., of Louisiana,
Wilson & Co., Inc., of Oklahoma,
Gotham Hotel Supply Company, Inc.,
Drexel Packing Co.,
Albert Lea Packing Company, Inc.,
Hermitage Lard Company (formerly Mississippi Packing Company, Inc.),
Morton-Gregson Company.

This deponent further says that on April 7, 1931, he personally served the document hereinafter listed upon John M. Lee, Suite 1659, First National Bank Building, 38 South Dearborn Street, Chicago, Illinois, by informing him of the contents thereof and by leaving with him true copies thereof; that the said John M. Lee then and there stated to this deponent that he represented as attorney Nelson [fol. 1755] Morris; that said John M. Lee who then and now occupies an office adjoining that of Nelson Morris and one of the same suite of offices at said 1659 First National Bank Building, delivered the documents hereinafter listed to said Nelson Morris and secured the signature of said Nelson Morris while this deponent was in the office occupied by said John M. Lee.

This deponent further says that on April 7, 1931, he personally served the documents hereinafter listed upon the said John M. Lee, Suite 1659, First National Bank Building, 38 South Dearborn Street, Chicago, Illinois, by informing him of the contents thereof and by leaving with him true copies thereof; that the said John M. Lee then and there stated to this deponent that he represented as attorney such of the Morris group of defendants as have not been dismissed from the above entitled case.

This deponent further says that he served the documents as aforesaid on behalf of the National Wholesale Grocers Association of the United States, intervenor-appellant, said documents being as follows:

Petition for appeal,
Citation on appeal,
Notice of appeal,
Order allowing appeal,
Assignment of errors,

Order extending time for docketing case with Clerk of the Supreme Court of the United States,

Order extending time for filing with Clerk præcipe designating portions of the record.

This deponent further says that each and every one of said documents listed above have been filed in the office of the Clerk of the Supreme Court of the District of Columbia.

Further deponent sayeth not.

William Burke Williamson.

[fol. 1756] Subscribed and sworn to this 17th day of April, 1931, before me, a Notary Public in and for the County of Cook, State of Illinois, and a person authorized to administer oaths for use in the United States District Court for the Northern District of Illinois. My commission expires Dec. 4, 1933. Lucile E. Mercer, Notary Public. (Seal of Lucile E. Mercer, Notary Public, Cook County, Ill.)

[fol. 1757] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

PETITION FOR APPEAL—Filed March 31, 1931

The intervenor, National Wholesale Grocers Association of the United States, conceiving itself aggrieved by the final decree made and entered on the 31st day of January, 1931, in the above-entitled cause, does hereby appeal from said order and decree to the Supreme Court of the United States, for the reasons specified in the assignment of errors, which is filed herewith, and prays that this appeal may be allowed, and that a transcript of the record, proceedings and papers upon which said order was made, duly authenticated, may be sent to the Supreme Court of the United States.

Dated March 28th, 1931.

William C. Breed, Breed, Abbott & Morgan, Breed, Abbott & Morgan, 15 Broad Street, New York City, New York, Attorneys for Intervenor National Wholesale Grocers Association of the United States.

[fol. 1758] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

ORDER ALLOWING APPEAL—Filed March 31, 1931

On the 31st day of March, 1931, came the intervenor, National Wholesale Grocers Association of the United States, by Breed, Abbott & Morgan, its attorneys, and filed herein and presented to this Court its Petition praying for the allowance of an Appeal to the Supreme Court of the United States from the final Decree made and entered in the Supreme Court of the District of Columbia in the above entitled cause on January 31, 1931, as amended February 26, 1931, for the reasons specified in the assignment of errors filed herewith and also praying that a transcript of the record, proceedings and papers upon which said final Decree was entered duly authenticated be sent to said Supreme Court of the United States according to law upon petitioner intervenor named giving bond for such cause in the sum of $100.00; and it is

Ordered and decreed that the Appeal be and the same is hereby allowed as prayed and made returnable within thirty days from the date hereof and the Clerk is directed to transmit forthwith a properly authenticated transcript of the record, proceedings and papers on which said Decree and Judgment was made and entered to the Supreme Court of the United States.

Jennings Bailey, Justice of the Supreme Court of the District of Columbia.

[fol. 1759] MEMORANDUM

March 31, 1931—Undertaking on Appeal for $100 on behalf of National Wholesale Grocers' Association of the United States, approved and filed.

[fols. 1760 & 1761] Citation, in usual form, filed March 31, 1931, omitted in printing.

[fol. 1762] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

NOTICE OF APPEAL—Filed April 1, 1931

The President of the United States to the United States of America, plaintiff and coappellant; The American Wholesale Grocers Association, and the other persons, firms, and corporations named therewith in the petition, intervenors and coappellants, and the defendants in the above-styled and numbered cause:

You and each of you are hereby notified that National Wholesale Grocers Association of the United States, appellant intervenor in the above-styled cause, appeals from the judgment or order entered in the above-styled cause on the 31st day of January, 1931, amended February 26th, 1931, and that on the 31st day of March, 1931, the court entered an order granting such appeal from the whole of said final order.

William C. Breed, Breed, Abbott & Morgan, Counsel for National Wholesale Grocers Association of the United States, Appellant, Intervenor.

[fol. 1763] [File endorsement omitted]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

ADMISSION OF SERVICE, &c.—Filed April 14, 1931

Due and timely service of the petition for appeal, citation on appeal, notice of appeal, order allowing appeal and assignment of errors is hereby admitted.

John Lord O'Brian, The Assistant to the Attorney General, Counsel for United States of America, Coappellant. Date served: March 31st, 1931. Edgar Watkins, Attorneys for American Wholesale Grocers Association and the Other Persons, Firms and Corporations Named Therewith in the Petition, Intervenors and Coappellants. Date

served: March 31st, 1931. Frank J. Hogan, Nelson T. Hartson, Attorneys for Armour & Company, Defendants Named in Petition of the United States of America Filed Herewith, and the Individuals Named Therewith and Yet Remaining Defendants. Date served: March 31st 1931. Frank [fol. 1764] J. Hogan, Nelson T. Hartson, Attorneys for Swift & Company, Defendants Named in said Petition, and the Individuals Named Therewith and Yet Remaining Defendants. Date served: March 31st, 1931. J. Harry Covington, Attorneys for Cudahy Packing Company, Defendants Named in the said Petition Filed Herein, and the Individuals Named Therewith and Yet Remaining Defendants. Date served: March 31st, 1931. Nelson Morris, Nelson Morris, Pro Se. Date served: April 7, 1931. John M. Lee, Attorney for Such of the Morris Group for Which he Has Entered His Appearance and as to Whom the Decree Has Been Suspended. Date Served: April 7th, 1931.

[fol. 1765] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

AFFIDAVIT—Filed April 20, 1931

William L. Hanaway, being duly sworn, deposes and says that on the 31st day of March, 1931, he personally served a notice of appeal, citation on appeal, petition for appeal, order allowing appeal and assignment of errors on the following persons, on behalf of the National Wholesale Grocers Association of the United States, intervener-appellant:

(1) Hammond E. Chaffetz, of counsel for the United States of America; John Lord O'Brian admitting service on behalf of the government.

(2) Edgar Watkins, attorney for American Wholesale Grocers Association, and the other persons, firms and cor-

porations named therewith in the petition, interveners and co-appellants.

(3) Nelson T. Hartson, on behalf of Frank J. Hogan, attorney for Armour & Company, defendants named in the petition of the United States of America, and the individuals named therewith and yet remaining defendants.

(4) Nelson T. Hartson, on behalf of Frank J. Hogan, attorney for Swift & Company, defendants named in said petition, and the individuals named therewith and yet remaining defendants.

(5) J. Harry Covington, on behalf of J. Harry Coving-
[fol. 1766] ton, attorney for Cudahy Packing Company, defendants named in the said petition and the individuals named therewith and yet remaining defendants.

Defendant further says that he is over 21 years of age and that he is not a party to this proceeding and that service of the above papers was perfected by leaving copies of each with the persons named above and securing their signatures admitting such service.

Wm. L. Hanaway.

Sworn to and subscribed before me this 18th day of April 1931. Michael Keegan. Michael Keegan, Notary Public, Kings County. Kings Co. Clerk's No. 173, Reg. No. 2212. N. Y. Co. Clerk's No. 442, Reg. No. 2-K-313. Commission expires March 30, 1932. (Seal.)

[fol. 1767] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

ACKNOWLEDGMENT OF SERVICE

We hereby acknowledge due and timely service of the petition for appeal, citation on appeal, notice of appeal, order allowing appeal and assignment of errors, by the

National Wholesale Grocers Association of the United States, Intervenor-Appellant.

This 6th day of April, 1931.

W. R. Brown, J. D. Cooney, Attorneys for New York-Wilson Company (Formerly Wilson & Co., Inc., a New York Corporation), Wilson & Co., Inc., of California; Wilson & Co., Inc., of Louisiana; Wilson & Co., Inc., of Oklahoma; Gotham Hotel Supply Company, Inc., Drexel Packing Co., Albert Lea Packing Company, Inc., Hermitage Lard Company (Formerly Mississippi Packing Company, Inc.), Morton-Gregson Company, said Parties Being All of the Parties for Whom said W. R. Brown and/or J. D. Cooney Appeared in the Present Proceeding.

[fol. 1768] [File endorsement omitted.]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

PETITION OF GEORGE B. ROBBINS FOR SUSPENSION OF DECREE—Filed June 30, 1921

George B. Robbins, one of the defendants in the above entitled cause, respectfully represents:

That he is not now and since November 1, 1920, has not been an officer, director or employee of any of the following corporations named as defendants in the "Armour Group" and signatories to the consents and decree, heretofore filed herein, of which group this petitioner is named as an individual defendant: Armour & Company (Ill.); Armour & Company (Ky.); Armour & Company (Texas); Armour & Company, Ltd. (La.); the Anglo-American Provision Company; The Colorado Packing & Provision Company; Fowler Packing Company; Hammond Packing Company; The New York Butchers Dressed Meat Company; Atlantic Hotel Supply Company, (Inc.).

That on November 1, 1920, this petitioner resigned as an officer, director, and employee of any and all of the aforesaid corporations of which at that time he was either an

officer or director; that such resignation was intended to effectuate and in fact did effectuate a complete and final severance of all connection of this petitioner as an officer, director or employee of any and all of said corporations, without condition or reservation of any kind or nature, [fol. 1769] whatsoever; that this petitioner is not now acting either directly or indirectly either as an officer, director or employee, and since November 1, 1920, has not so acted either directly or indirectly for or on behalf of any of the above named corporations.

That the petitioner has no interest either by stockholdings otherwise in any of the before named corporations.

That this petitioner is not now and never has been an officer, director or employee of any of the corporations named in the "Swift Group", "Morris Group", "Wilson Group" or "Cudahy Group" as defendants in the above entitled cause.

Petitioner's affidavit as to the foregoing facts is hereto annexed and is prayed may be read as a part hereof.

The premises considered, your petitioner respectfully prays that the consent decree herein shall be modified so as to exclude your petitioner from the prohibitions therein contained and that the Court enter an order to that end.

(Signed) Conrad H. Syme, (Signed) Chas. A. Doyle, (Signed) Chas. J. Faulkner, Jr., Attys. for Petitioners.

[fol. 1770] [File endorsement omitted.]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

AFFIDAVIT OF GEORGE B. ROBBINS—Filed June 30, 1921

STATE OF CALIFORNIA,
City and County of San Francisco, ss:

George B. Robbins, one of the defendants in the above entitled cause, being first duly sworn, on oath deposes and says:

That he is not now and since November 1st, 1920, has not been an officer, director, or employee of any of the following corporations named as defendants in the "Armour Group" and signatories to the consents and decree, heretofore filed

herein, of which group this affiant is named as an individual defendant: Armour & Company (Ill.); Armour & Company (N. J.); Armour & Company (Ky.); Armour & Company (Texas); Armour & Company, Ltd. (La.); the Anglo-American Provision Company; The Colorado Packing & Provision Company; Fowler Packing Company; Hammond Packing Company; The New York Butchers Dressed Meat Company; Atlantic Hotel Supply Company, (Inc.).

That on November 1st, 1920, this affiant resigned as an officer, director, and employee of any and all of the aforesaid corporations of which at that time he was either an officer or director; that such resignation was intended to effectuate and in fact did effectuate a complete and final severance of all connection of this affiant as an officer, director, or employee of any and all of said corporations, without condition or reservation of any kind or nature, whatsoever; that this affiant is not now acting either [fol. 1771] directly or indirectly either as an officer, director, or employee, and since November 1st, 1920, has not so acted either directly or indirectly for or on behalf of any of the above named corporations.

That the affiant has no interest either by stockholdings or otherwise in any of the beforenamed corporations.

That this affiant is not now and never has been an officer, director, or employee of any of the corporations named in the "Swift Group," "Morris Group," "Wilson Group," or "Cudahy Group" as defendants in the above entitled cause.

That this affidavit is made for the purpose of securing an order from the Honorable Justices of the above entitled court dismissing the above entitled cause as to this affiant, and discharging him from all orders, decrees, or agreements heretofore entered therein.

Dated at San Francisco, California, this Sixteenth day of May, A. D. 1921

(Signed) George B. Robbins.

Subscribed and sworn to before the undersigned, a Notary Public in and for the County of San Francisco, State of California, on this 16th day of May, 1921. (Signed) James Mason, Notary Public. My commission expires December 4th, 1923.

Certificate of authenticity of the Notary Public signed by the County Clerk, is attached.

[fol. 1772] [File endorsement omitted]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

ORDER SUSPENDING DECREE AS TO GEORGE B. ROBBINS.—Filed June 30 1921

It is by the Court this 30th day of June 1921, ordered that the decree of this Court entered in this cause on the 27th day of February, 1920, be and the same is hereby suspended as to the defendant George B. Robbins so long as he, the said Robbins, does not become an officer, director, agent or employe of any of the corporate defendants in this cause, or does not represent or act for, directly or indirectly, any defendant in this cause other than himself in the ownership of any interest in any of the following:

(1) Public stockyard market company, stockyard terminal railroad, stockyard market newspaper, stockyard market journal, or

(2) Any public cold storage warehouse, or

(3) Any corporation, firm or association which is in the business in the United States of manufacturing, jobbing, selling, transporting, distributing or otherwise dealing in any of the products or commodities mentioned in paragraph Fourth of said decree of February 27th, 1920.

(4) Retail meat markets except as provided in the decree.

William Hitz, Justice.

Approved for the United States.

Herman J. Galloway, Special Assistant to the Atty. Gen.

I consent.

Conrad H. Syme, Attorney for Petitioner Robbins.

[fol. 1773] [File endorsement omitted]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

PETITION OF ROBERT J. DUNHAM FOR SUSPENSION OF DECREE—Filed June 30, 1921

To the Honorable Justices of the above-entitled Court:

Robert J. Dunham, one of the defendants in the above entitled cause, respectfully states:

That he is not now and since November 1, 1920, has not been an officer, director, or employee of any of the following corporations named as defendants in the "Armour Group" and signatories to the consents and decree, heretofore filed herein, of which group this petitioner is named as an individual defendant: Armour & Company, (Ill.); Armour & Company, (N. J.); Armour & Company, (Ky.); Armour & Company, (Texas); Armour & Company, Ltd. (La.); The Anglo-American Provision Company; The Colorado Packing & Provision Company; Fowler Packing Company; Hammond Packing Company; The New York Butchers Dressed Meat Company; Atlantic Hotel Supply Company, (Inc.).

That on November 1, 1920, this petitioner resigned as an officer, director and employee of any and all of the aforesaid corporations of which at that time he was either an officer or director; that such resignation was intended to effectuate and in fact did effectuate a complete and final severance of all connection of this petitioner as an officer, [fol. 1774] director or employee of any and all of said corporations, without condition or reservation of any kind or nature whatsoever; that this petitioner is not now acting either directly or indirectly either as an officer, director or employee, and since November 1, 1920, has not so acted either directly or indirectly for or on behalf of any of the above named corporations.

That the only interest of this petitioner either by stockholdings or otherwise in any of the above named corporations is as follows: He is the owner and holder of one hundred and fifty (150) shares of the preferred stock of Armour & Company (Ill.), which this petitioner owns and holds solely as an investment.

That this petitioner is not now and never has been an officer, director or employee of any of the corporations named in the Swift groups, Morris Groups, Wilson Groups, or Cudahy Groups as defendants in the above entitled cause.

Petitioner's affidavit as to the foregoing facts is hereto annexed and is prayed may be read as a part hereof.

The premises considered, your petitioner respectfully prays that the consent decree herein shall be modified so as

to exclude your petitioner from the prohibitions therein contained and that the Court enter an order to that end.

(S.) Conrad H. Syme, (S.) Chas. A. Doyle, (S.) Chas. J. Faulkner, Jr., Attys. for Petitioner.

[fol. 1775] [File endorsement omitted]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

AFFIDAVIT OF ROBERT J. DUNHAM—Filed June 30, 1921

STATE OF ILLINOIS,
County of Cook, ss:

Robert J. Dunham, one of the defendants in the above entitled cause, being first duly sworn, on oath deposes and says:

That he is not now and since November 1st, 1920, has not been an officer, director, or employee of any of the following corporations named as defendants in the "Armour Group" and signatories to the consents and decree, heretofore filed herein, of which group this affiant is named as an individual defendant: Armour & Company, (Ill.); Armour & Company, (N. J.); Armour & Company, (Ky.); Armour & Company, (Texas); Armour & Company, Ltd. (La.); The Anglo-American Provision Company; The Colorado Packing & Provision Company; Fowler Packing Company; Hammond Packing Company; The New York Butchers Dressed Meat Company; Atlantic Hotel Supply Company (Inc.).

That on November 1st, 1920, this affiant resigned as an officer, director, and employee of any and all of the aforesaid corporations of which at that time he was either an officer or director; that such resignation was intended to effectuate and in fact did effectuate a complete and final severance of all connection of this affiant as an officer, director, or employee of any and all of said corporations, without condition or reservation of any kind or nature [fol. 1776] whatsoever; that this affiant is not now acting either directly or indirectly either as an officer, director, or

employee, and since November 1st, 1920, has not so acted either directly or indirectly for or on behalf of any of the above named corporations.

That the only interest of this affiant either by stockholdings or otherwise in any of the above named corporations is as follows: He is the owner and holder of one hundred fifty (150) shares of the Preferred stock of Armour & Company (Ill.), which this affiant owns and holds solely as an investment.

That this affiant is not now and never has been an officer, director, or employee of any of the corporations named in the Swift groups, Morris groups, Wilson groups, or Cudahy groups as defendants in the above entitled cause.

That this affidavit is made for the purpose of securing an order from the Honorable Justices of the above entitled Court dismissing the above entitled cause as to this affiant, and discharging him from all orders, decrees, or agreement heretofore entered therein.

Dated at Chicago, Illinois, this 16th day of June, A. D. 1921.

(S.) Robert J. Dunham.

Subscribed and sworn to before the undersigned, a Notary Public in and for the County of Cook, State of Illinois, on this 16th day of June A. D., 1921. (S.) Frank A. Becker, Notary Public. My commission expires January 24, 1923.

County Clerk's certificate of authenticity of Notary Public's commission attached.

[fol. 1777] [File endorsement omitted]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

ORDER SUSPENDING DECREE AS TO ROBERT J. DUNHAM—Filed June 30, 1921

It is by the Court this 30th day of June 1921, ordered that the decree of this Court entered in this cause on the 27th

day of February, 1920, be and the same is hereby suspended as to the defendant Robert J. Dunham so long as he, the said Dunham, does not become an officer, director, agent or employee of any of the corporate defendants in this cause, or does not represent or act for, directly or indirectly, any defendant in this cause other than himself in the ownership of any interest in any of the following:

(1) Public stockyard market company, stockyard terminal railroad, stockyard market newspaper, stockyard market journal, or

(2) Any public cold storage warehouse, or

(3) Any corporation, firm or association which is in the business in the United States of manufacturing, jobbing, selling, transporting, distributing or otherwise dealing in any of the products or commodities mentioned in paragraph Fourth of said decree of February 27th, 1920.

(4) Retail meat markets except as provided in the decree.

(S.) William Hitz, Justice.

Approved for the United States.
Herman J. Galloway, Special Asst. to the Atty. Gen.

I consent.
Conrad H. Syme, Atty. for Petitioner Dunham.

[fol. 1778] [File endorsement omitted]

In Supreme Court of the District of Columbia

[Title omitted]

Petition of Fred L. Washburn for Suspension of Decree —Filed June 30, 1921

To the Honorable Justices of the above-entitled court:

Fred L. Washburn, one of the defendants in the above entitled cause, respectfully states that at the time of the filing of the petition in this cause he was president and director of the Western Meat Company, one of the corporate defendants in said cause, and is the owner of thirty-six

(36) shares of the twenty-five thousand (25,000) shares of capital stock of said corporation; that he has resigned the office of president and director of the Western Meat Company and is no longer employed by said Western Meat Company, and has no interest therein or connection therewith except as the holder of said thirty-six (36) shares of stock, and that he is in no way connected with or interested in any of the other corporate defendants in said cause.

This petitioner respectfully prays that the Consent Decree herein shall be modified so as to exclude petitioner from the prohibitions therein contained and that the Court enter an order to that end.

(S.) Fred L. Washburn.

Subscribed and sworn to by Fred L. Washburn before the undersigned, a Notary Public, this 14th day of April, A. D. 1921. (S.) F. G. White, Notary Public for Oregon. My commission expires May 25, 1928. (Notarial Seal.)

[fol. 1779] [File endorsement omitted]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

ORDER SUSPENDING DECREE AS TO FRED L. WASHBURN—Filed June 30, 1921

It is by the Court this 30th day of June 1921,

Ordered that the decree of this Court entered in this cause on the 27th day of February, 1920, be and the same is hereby suspended as to the defendant Fred L. Washburn so long as he, the said Washburn, does not become an officer, director, agent or employe of any of the corporate defendants in this cause, or does not represent or act for, directly or indirectly, any defendant in this cause other than himself in the ownership of any interest in any of the following:

(1) Public stockyard market company, stockyard terminal railroad, stockyard market newspaper, stockyard market journal, or

(2) Any public cold storage warehouse, or

(3) Any corporation, form or association which is in the business in the United States of manufacturing, jobbing, selling, transporting, distributing or otherwise dealing in any of the products or commodities mentioned in paragraph Fourth of said decree of February 27th, 1920.

(4) Retail meat markets except as provided in the decree.

William Hitz, Justice.

I consent.

Conrad H. Syme, Atty. for Petitioner Washburn.

Approved for the United States.

Herman J. Galloway, Special Assistant to the Attorney General.

[fol. 1780] [File endorsement omitted]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

PETITION FOR MODIFICATION OF CONSENT DECREE—Filed Oct. 2, 1929

To the Honorable Justices of the above-entitled court:

Morris & Company, a Maine corporation, now known as the American Food Products Company, one of the defendants in the above entitled cause, respectfully states:

That on March 28th, 1923 it sold and disposed of practically all of its assets, and this sale and disposition was approved, after a full and complete hearing, by the Secretary of Agriculture; that it is not now engaged in the packing business and has not been engaged in this business since March 28th, 1923 and is now engaged solely in liquidating its affairs and has changed its name to American Food Products Company; that Morris & Company, a Maine corporation was one of its subsidiaries but this Company is no longer in business, and its charter is considered as abandoned; that its subsidiary, Morris & Company, a New

Jersey corporation, and Morris & Company, a Louisiana corporation, have not been actively engaged in business since March 28th, 1923 and are engaged exclusively in collecting certain outstanding accounts; that its subsidiaries, Morris & Company of Pennsylvania, Joseph Stern & Sons, Incorporated, Corwin Wilde & Company and National Hotel Supply Company have been dissolved; that the charters of the Brooklyn Beef & Provision Company, Condit Beef & Provision Company and Donnelly & Company have been abandoned; that the petitioner has disposed of all of its interest in Chamberlain & Company, J. M. Wilson & Company, Middletown Beef and Provision Company and Glenn & Anderson Company.

That this petitioner's affidavit as to the foregoing facts is hereto annexed and is prayed may be read as a part hereof.

The premises considered, your petitioner respectfully prays that the consent decree herein shall be modified so as to exclude your petitioner and the entire Morris Group of Defendants from the prohibitions therein contained, and that the Court enter an order to that end.

(Sgd.) John M. Lee, Solicitor for said Petitioner.

[fol. 1781] In Supreme Court of the District of Columbia

[Title omitted]

Affidavit of M. E. Smith

State of Illinois,
County of Cook, ss:

M. E. Smith, being first duly sworn, on oath deposes and says:

That he is the Vice-President, Treasurer and Secretary of the American Food Products Company, a Maine corporation, formerly known as Morris & Company; that on to wit March 28th, 1923, Morris & Company, a Maine corporation sold and disposed of practically all its assets which sale and disposition, after a full and complete hearing was approved by the Secretary of Agriculture of the United States; that since said date of March 28th, 1923, said Morris & Company, a Maine corporation, now known as the American Food Products Company has not been engaged in the packing house business, but has been engaged in

liquidating its affairs; that on to wit May 1st, 1923 said Morris & Company, by proper corporate action changed its name to American Food Products Company.

That Morris Packing Company (Me.) has not been actively engaged in business since prior to April, 1923, that on to wit October 31st, 1923 the Deputy Attorney General of the State of Maine issued his certificate certifying that he had received satisfactory proof that the company had ceased to transact business; that Morris & Company (N. J.) and Morris & Company (La.) have not been actively engaged in business for over six (6) years last passed and are solely engaged in collecting certain outstanding accounts; that Morris & Company of Pennsylvania (Pa.) was dissolved in 1926; that Joseph Stern & Sons, Incorporated, was dissolved October 29th, 1923; that the Brooklyn Beef and Provision Company and the Condit Beef and Provision Company have not engaged in any kind of business since prior to April, 1923, and the Charters of said companies are considered as abandoned; that Corwin Wilde & Company was dissolved April 8th, 1921; that Donnelly & Company has not been actively engaged in business since prior to April, 1923 and the company was enjoined on March 26th, 1923 by the State of Massachusetts from further continuing to do business by virtue of its failure to file annual reports, etc.; that the National Hotel Supply Com-
[fol. 1782] pany was dissolved on May 23rd, 1927; that prior to April 1923 Morris & Company, now known as American Food Products Company, sold and disposed of all of its stock holdings in Chamberlain & Company, Inc., J. M. Wilson Company, Middletown Beef and Provision Company and Glenn & Anderson Company, and since said date Morris & Company, now known as American Food Products Company has had no interest in these four companies; that Nelson Morris is now in Europe and it is not definitely known as to just when he will return; that H. A. Timmins left this country in December 1928, to take a trip around the world, that he is not now in this country and is not expected to return until the Spring of 1930; that C. M. Macfarlane recently underwent two or three operations and is now convalescing at his home outside of Chicago.

Dated at Chicago, Illinois, this 16th day of September, A. D. 1929.

(Sgd.) M. E. Smith.

Subscribed and sworn to before me, the undersigned, a Notary Public in and for the County of Cook, State of Illinois, on this 16th day of September, A. D. 1929. (Sgd.) Earl V. Brown, Notary Public. (Seal.)

[fol. 1783] [File endorsement omitted]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

ORDER SUSPENDING DECREE AS TO MORRIS GROUP—Filed Oct. 2, 1929

This cause came on further to be heard this 2d day of October, 1929, upon the application of Morris & Company, a Maine corporation, now known as American Food Products Company, in its own behalf and for the Morris group of defendants to be released from the force and effect of the Consent Decree hereinbfore entered February 27, 1920, and it appearing to the Court upon said petition and affidavit attached that said Morris & Company has gone out of the slaughtering and meat packing business, and its subsidiary corporations included in the Morris group of defendants, have either been dissolved or sold, or have discontinued said business and remain in existence only for the purpose of liquidation and eventual dissolution, and the Court being fully advised in the premises.

It is hereby ordered, adjudged, and decreed that said Consent Decree of February 27, 1920, be and the same is hereby suspended:

1. As to each of the corporate defendants included in said Morris group so long as each said defendant, respectively, does not continue to engage or re-engage actively in the slaughtering or meat packing business as a subsidiary owned or controlled directly or indirectly by any of the corporate defendants in this cause.

2. As to each of the individual defendants included in said Morris group so long as each said defendant, re-

spectively, does not become or continue to be an officer, director, agent or employee of any of the corporate defend-
[fol. 1784] ants in this cause, while such corporate defendants are actively engaged in the slaughtering and/or meat packing business; or does not represent or act for, directly, or indirectly, any defendant in this cause other than himself, in the ownership of any interest in any of the following:

(1) Public stockyard market company, stockyard terminal, railroad, stockyard market newspaper, stockyard market journal, or

(2) Any public cold storage warehouse, or

(3) Any corporation, firm or association which is in the business in the United States of manufacturing, jobbing, selling, transporting, distributing or otherwise dealing in any of the products or commodities mentioned in paragraph Fourth of said decree of February 27, 1920.

(4) Retail meat markets, except as provided in the decree.

(Sgd.) Wendell P. Stafford.

Consented to for the United States.
(Sgd.) H. B. Teegarden, Special Assistant to the Attorney General.

[fol. 1785] [File endorsement omitted]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

ORDER OF CONTINUANCE—Filed Oct. 1, 1929

On consent of the parties concerned, it is hereby ordered that the hearing herein set for October 2, 1929, by this Court's Order of July 24, 1929, be and the same is hereby continued until Nov. 6th, 1929, and the provisions of Paragraphs 6 and 7 of said Order be and the same are hereby extended until said hearing.

Dated Oct. 1/29.

Wendell P. Stafford, Justice.

The entry of the above Order is hereby consented to.
H. B. Teegarden, H. B. Teegarden, Special Assistant to the Attorney General. Conrad H. Syme, Chas. A. Douglas, Frank J. Hogan, Counsel for Armour and Swift Groups of Defendants. Edgar Watkins, Counsel for American Wholesale Grocers, Intervenor. Breed, Abbot & Morgan, Frank K. Nebeker, Counsel for National Wholesale Grocers' Association, Intervenor.

[fol. 1786] [File endorsement omitted]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

ORDER OF CONTINUANCE—Filed Nov. 4, 1929

On the consent of the parties concerned, it is hereby ordered this 4th day of November, 1929, that the hearing herein set for November 6, 1929, by this Court's order of October 1, 1929, be and the same is hereby continued until November 14, 1929, and the provisions of Paragraphs 6 and 7 of this Court's order of July 4, 1929, hereby extended until said hearing.

It is further ordered that the time for filing answers to the petitions of the Armour and Swift groups of defendants for modification of the consent decree of 1920 be and the same is hereby extended to November 14, 1929.

(Sgd.) Wendell P. Stafford, Justice.

Dated —— —, ——.

The entry of the above order is hereby consented to.
(Sgd.) H. B. Teegarden, Special Assistant to the Attorney General. (Sgd.) Frank J. Hogan, (Sgd.) Chas. J. Faulkner, (Sgd.) Henry Veeder, Counsel for Armour and Swift Groups of Defendants. (Sgd.) Edgar Watkins, Counsel for American Wholesale Grocers, Intervenor. (Sgd.) Frank K. Nebeker, Counsel for National Wholesale Grocers' Association, Intervenor.

[fol. 1787] [File endorsement omitted]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

ORDER OF CONTINUANCE—Filed Nov. 13, 1929

On the consent of the parties concerned, it is hereby ordered this 13th day of November, 1929, that the hearing herein set for November 14, 1929, by this Court's order of November 4, 1929, be and the same is hereby continued until December 19, 1929, and the provisions of Paragraphs 6 and 7 of this Court's order of July 24, 1929, are hereby extended until said hearing.

It is further ordered that the time for filing answers to the petitions of the Armour and Swift groups of defendants for modification of the consent decree of 1920 be and the same is hereby extended to December 19, 1929.

Wendell P. Stafford, Justice.

The entry of the above order is hereby consented to,
H. B. Teegarden, Special Assistant to the Attorney General. Frank J. Hogan, C. J. Faulkner, Henry Veeder, Counsel for Armour and Swift Groups of Defendants. Edgar Watkins, Counsel for American Wholesale Grocers, Intervenor. Breed, Abbot & Morgan, Frank K. Nebeker, Counsel for National Wholesale Grocers' Association, Intervenor.

[fol. 1788] [File endorsement omitted]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

ORDER OF CONTINUANCE—Filed Dec. 19, 1929

On the consent of the parties concerned, it is hereby ordered this 19th day of December, 1929, that the time within which the government is required to file answers to the petitions of the Armour and Swift groups of defend-

ants for modification of the Consent Decree of 1920 be and the same is hereby extended to January 19, 1930.

It is further ordered that the provisions of Paragraphs 6 and 7 of this Court's order of July 24, 1929, are hereby extended until the hearing of the motions referred to in said Paragraph 6.

Alfred A. Wheat, Justice.

The entry of the above order is hereby consented to.

H. B. Teegarden, Special Assistant to the Attorney General. Frank J. Hogan, Nelson T. Hartson, Counsel for Armour and Swift Groups of Defendants.

[fol. 1789] In Supreme Court of the District of Columbia

[Title omitted]

Order as to Filing Certain Papers Nunc Pro Tunc—Filed June 11, 1931

The attached stipulation, with reference to the inclusion of certain papers in the record of appeal to the Supreme Court of the United States herein now pending, having been submitted to the Court; and it appearing to the Court that the facts are as therein stated, it is this 11th day of June, 1931,

Hereby ordered that the documents therein specified which have not heretofore been filed be received by the Clerk for filing nunc pro tunc as of the dates the same were respectively submitted to the Court.

Jennings Bailey, Justice.

[fol. 1790] In Supreme Court of the District of Columbia

[Title omitted]

Stipulation

It is hereby stipulated and agreed by and between the parties and interveners in the above entitled cause, by their counsel:

I. That the following documents, copies of which are hereto attached and made a part hereof, having been duly filed or submitted to the Court as respectively indicated,

and at the times respectively stated, shall be deemed to be a part of the record herein, for purposes of appeal to the Supreme Court of the United States now pending:

1. Petitioning defendants' requests for findings of fact and conclusions of law, submitted December 1, 1930.

2. Proposed findings of fact of American Wholesale Grocers' Association, et al., submitted December 1, 1930.

3. Proposed findings of fact of National Wholesale Grocers' Association, submitted December 1, 1930.

4. Request for findings of fact, submitted by the United States on January 31, 1931.

5. Objections to petitioning defendants' requests for findings of fact, submitted by the United States, on January 31, 1931.

6. Objections to the making of findings of fact as proposed by the petitioners, submitted jointly by the interveners, on January 31, 1931.

7. Objections of Swift & Company and Armour & Company to the government's request for findings of fact, filed March 17, 1931.

[fol. 1791] 8. Objections of Swift & Company and Armour & Company to proposed findings of fact of interveners, filed March 17, 1931.

9. Amendment to the objections of Swift & Company and Armour & Company to the government's request for findings of fact, filed March 23, 1931.

II. That on March 26, 1931, the Court made and entered its Findings of Fact and Conclusions of Law as of January 31, 1931.

H. B. Teegarden, Special Asst. to the Attny. General, Counsel for the United States. Edgar Watkins, Counsel for American Wholesale Grocers' Association. Frank J. Hogan, Counsel for Petitioning Defendants. Breed, Abbott & Morgan, W. C. Breed, Frank K. Nebeker, Counsel for National Wholesale Grocers' Association.

[fol. 1792] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

PRÆCIPE FOR DESIGNATION OF RECORD ON APPEAL OF THE UNITED STATES—Filed Aug. 8, 1931

To the Clerk of the said Court:

The United States of America, appellant, desires the following portions of the record in the above-entitled cause to be incorporated into the transcript of record on its appeal to the Supreme Court of the United States, namely:

1. Petition of the United States, filed February 27, 1920.
2. Answers of defendants, Swift & Company, et al., Armour & Company, et al., Morris & Company, et al., Wilson & Company, et al., Cudahy Packing Company, et al., Western Meat Company, et al., New England Dressed Meat and Wool Company, et al., severally filed February 27, 1920.
3. Decree entered February 27, 1920, and consents thereto.
4. Amended petitions of defendants Swift & Company, et al., and of defendants Armour & Company, et al., for modification of the consent decree, filed April 3, 1930.
5. Answer of the United States thereto, filed April 12, 1930.
6. Statement of evidence.
7. Notice of motion to approve statement of evidence, and acknowledgments of service thereof.
8. Order settling statement of evidence.

[fol. 1793] 9. Original Petitioners' Exhibits Nos. 3, 4, 7, 10, 33 to 38 incl., 42 to 57 incl., 69 to 74 incl., 85, 86, 88, 89, 90, 105 to 128 incl., 135 to 153 incl., and 155 to 167 incl.

10. Original Government Exhibits Nos. 4 to 31 incl., 94, 100, and 101.
11. Opinion of the Court, filed Jan. 5, 1931.
12. Order modifying consent decree, entered January 31, 1931.
13. Order correcting decree of January 31, 1931, entered February 26, 1931.
14. Petitioning defendants' requests for findings of fact and conclusions of law, filed December 1, 1930.
15. Proposed findings of fact in behalf of American Wholesale Grocers Association, filed December 1, 1930.

16. Proposed findings of fact in behalf of National Wholesale Grocers Association, filed December 1, 1930.

17. Request for findings of fact, filed by the United States, January 31, 1931.

18. Objections to petitioning defendants' requests for findings of fact, filed by the United States January 31, 1931.

19. Objections to the making of findings of fact as proposed by petitioners, submitted jointly by the interveners, January 31, 1931.

20. Objections of Swift & Company and Armour & Company to the Government's request for findings of fact, filed March 17, 1931.

21. Objections of Swift & Company and Armour & Company to proposed findings of fact of interveners, filed March 17, 1931.

22. Amendment to the objections of Swift & Company and Armour & Company to the Government's request for findings of fact, filed March 23, 1931.

[fol. 1794] 23. Findings of fact and conclusions of law, filed by the Court March 26, 1931, as of January 31, 1931.

24. Stipulation with reference to filing various requests for findings of fact and objections thereto, etc., filed June 11, 1931.

25. Order for filing *nunc pro tunc*, entered June 11, 1931.

26. Exceptions to findings, filed by the United States March 30, 1931.

27. Assignment of errors, filed March 30, 1931.

28. Petition for appeal by the United States, filed March 30, 1931.

29. Order allowing appeal, filed March 30, 1931.

30. Citation on appeal, issued March 30, 1931, and acknowledgments of service thereof from:

1. American Wholesale Grocers Association, by Edgar Watkins, filed March 30, 1931.

2. National Wholesale Grocers Association, by Breed, Abbott & Morgan, filed March 30, 1931.

3. Cudahy Packing Company, by J. Harry Covington, filed April 1, 1931.

4. Petitioning defendants, by Frank J. Hogan, filed April 1, 1931.

5. Morris group of defendants, and Nelson Morris, by John M. Lee, filed April 4, 1931.

6. Western Meat Company, Oakland Meat & Packing Company, and Nevada Packing Company, by Henry Veeder, filed April 8, 1931.

31. Orders extending time for filing præcipe:

1. To May 1, 1931, filed March 31, 1931.
2. To May 31, 1931, filed April 28, 1931.
3. To August 10, 1931, filed May 22, 1931.
4. For appellees, to twenty days after Government præcipe, filed August 1, 1931.

[fol. 1795] 32. Orders extending time for docketing:

1. To May 30, 1931, filed March 31, 1931.
2. To August 10, 1931, filed May 22, 1931.
3. To December 1, 1931, filed July 31, 1931.

33. This præcipe for designation of record.

H. B. Teegarden, Special Assistant to the Attorney General.

Service of the foregoing præcipe is hereby acknowledged this 3rd day of August, 1931.

Frank J. Hogan, Nelson T. Hartson, Counsel for Petitioning Defendants. Edgar Watkins, Counsel for American Wholesale Grocers Association. William C. Breed, Breed, Abbott & Morgan, Counsel for National Wholesale Grocers Association.

[fol. 1796] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

PRÆCIPE FOR RECORD—Filed August 4, 1931

Appellants-interveners, American Wholesale Grocers Association, Henry G. Sears & Company, of Massachusetts, John Hoffman & Sons, of Wisconsin, Mason Ehrman & Company, of Oregon, J. M. Radford Grocery Company, of Texas, Southern Distributing Company, of Virginia, Hall Grocery Company, of Arkansas, Albert Mackie & Co., Ltd., of Louisiana, Hicks Company, of Louisiana, Rapides Grocery Company, Inc., of Louisiana, and Oliver Finnie Grocery Company, of Tennessee, having seasonably filed their petition for appeal and the same having been allowed, respectfully request the Clerk of this Court to prepare the

transcript of record on their appeal, including therein the following parts of the record.

1. Petition of Southern Wholesale Grocers Association and others, to intervene and Order granting same, filed September 10, 1921.

2. Intervening petition of Southern Wholesale Grocers Association and others, filed September 10, 1921.

3. Amended petition of intervention of Southern Wholesale Grocers Association, filed October 13, 1921.

4. Motion of plaintiff to set aside order granting leave to Southern Wholesale Grocers Association and others to intervene, dated September 24, 1921.

5. Order overruling motion to strike out intervening petition of Southern Wholesale Grocers Association, entered November 5, 1921.

[fol. 1797] 6. Amendments praying leave to substitute American Wholesale Grocers' Association for Southern Wholesale Grocers' Association and order granting prayer of June 14, 1922.

7. These interveners' motion to dismiss amended petition of the Swift and Armour defendants.

8. The answers of these interveners to the petitions of Swift and Armour defendants to modify.

9. Memoranda as to approval and filing of bond of these interveners-appellants.

10. The petition for appeal, the order thereon, and the citation on appeal and the service thereon of these interveners-appellants, dated March 30, 1931.

11. The assignment of errors on appeal filed by these interveners-appellants.

12. This designation of the transcript of record.

It is respectfully requested that such of the foregoing record as may be designated by other appellants shall notwithstanding their designation here be copied in the transcript of record on appeal once only, and that such portions of the record not herein designated as are designated by other appellants be considered on the appeal of these appellants. This præcipe is in lieu of the one filed herein on March 30, 1931.

Edgar Watkins, Counsel for Interveners Named Above.

P. O. Address: Atlanta Trust Company Building, Atlanta, Georgia.

The foregoing Præcipe is approved, and it is ordered that the record therein designated be transmitted to the Supreme Court of the United States.

—— ——, Justice Supreme Court, District of Columbia.

[fol. 1798] In Supreme Court of the District of Columbia

[Title omitted]

Notice of Filing Præcipe—Filed August 4, 1931

Please take notice that on the 3rd day of August, 1931, we filed with the Clerk of the Supreme Court of the District of Columbia, a substitute præcipe, designating the portions of the record to be transmitted to the Supreme Court of the United States on the appeal taken by American Wholesale Grocers' Association of the United States and other Interveners-Appellants in the above cause, a copy of which præcipe is hereto annexed and herewith served upon you.

Dated August 3rd, 1931.

Edgar Watkins, Watkins, Asbill & Watkins, Attorneys for Interveners-Appellants American Wholesale Grocers' Association of the United States, Atlanta Trust Company Building, Atlanta, Georgia.

Service accepted and receipt of a copy of this notice and the attached præcipe acknowledged this August 3, 1931.

H. B. Teegarden, Special Assistant to the Attorney General, for Appellant, the United States. Frank J. Hogan, Nelson T. Hartson, Counsel for Petitioning Defendants-Appellees. William C. Breed, Breed, Abbott & Morgan, Counsel for National Wholesale Grocers' Association.

[fol. 1799] [File endorsement omitted]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

ACKNOWLEDGMENT OF SERVICE—Filed April 23, 1931

We hereby accept service of notice of appeal, citation on appeal, and copy of præcipe for record on appeal, and waive any and all other and further service and notice.

This 30th day of March, 1931.

(Signed) J. Harry Covington, Attorney for Cudahy & Company, Defendants Named in the said Petition Filed Herein, and the Individuals and Corporations Names Therewith and yet Remaining Defendants.

[fol. 1800] [File endorsement omitted]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

ACKNOWLEDGMENT OF SERVICE—Filed April 28, 1931

We hereby accept service of notice of appeal, citation on appeal, and copy of præcipe for record on appeal, and waive any and all other and further service and notice.

This 7th day of April, 1931.

(Signed) Nelson Morris, Nelson Morris, pro Se.

[fol. 1801] [File endorsement omitted]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

ACKNOWLEDGMENT OF SERVICE—Filed April 28, 1931

We hereby accept service of notice of appeal, citation on

appeal, and copy of præcipe for record on appeal, and waive any and all other and further service and notice.

This 6th day of April, 1931.

(Signed) W. R. Brown, J. D. Cooney, Attorneys for New York-Wilson Company (Formerly Wilson & Co., Inc., a New York Corporation), Wilson & Co., Inc., of California; Wilson & Co., Inc., of Louisiana; Wilson & Co., Inc., of Oklahoma; Gotham Hotel Supply Company, Inc., Drexel Packing Co., Albert Lea Packing Company, Inc., Hermitage Lard Company (Formerly Mississippi Packing Company, Inc.), Morton-Gregson Company.

[fol. 1802] [File endorsement omitted]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

ACKNOWLEDGMENT OF SERVICE—Filed May 22, 1931

We hereby acknowledge due and timely service of a copy of the præcipe filed by Intervener-Appellant, National Wholesale Grocers' Association of the United States, and of the notice of filing of said præcipe.

May 19th, 1931.

(S.) W. R. Brown, (S.) James D. Cooney, Attorneys for New York-Wilson Company (Formerly Wilson & Co., Inc., a New York Corporation), Wilson & Co., Inc., of California; Wilson & Co., Inc., of Louisiana; Wilson & Co., Inc., of Oklahoma; Gotham Hotel Supply Company, Inc., Drexel Packing Co., Albert Lea Packing Company, Inc., Hermitage Lard Company (Formerly Mississippi Packing Company, Inc.), Morton-Gregson Company, said Parties Being All of the Parties for Whom said W. R. Brown and/or J. D. Cooney Appeared in the Present Proceeding. Date served: May 19th, 1931. (S.) Nelson Morris, Nelson Morris, pro Se—Date served: May 19th, 1931—Attorney for Such of the Morris Group for Which he Has Entered His Appearance and as to Whom the Decree Has Been Suspended. Date served: May —, 1931.

[fol. 1803] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

AFFIDAVIT OF SERVICE

STATE OF ILLINOIS,
County of Cook, ss:

William Burke Williamson, of Chicago, Illinois, in the Northern District of Illinois, Eastern Division, beng first duly sworn on oath, deposes and says that on May 19, 1931, he personally served the documents hereinafter listed upon John M. Lee, Suite 1659, First National Bank Building, 38 South Dearborn Street, Chicago, Illinois, by informing him of the contents thereof and by leaving with him true copies thereof; that he served the documents as aforesaid on behalf of the National Wholesale Grocers' Association of the United States, Intervener-Appellant in the above entitled cause, said documents being as follows: Præcipe filed by intervener-appellant, National Wholesale Grocers' Association of the United States, Notice of Filing Præcipe.

This deponent further says that each and every one of said documents listed above has been filed in the office of the Clerk of the Supreme Court of the District of Columbia.

(S.) William Burke Williamson.

Subscribed and sworn to this 20th day of May, 1931, before me, a Notary Public in and for the County of Cook and State of Illinois and a person authorized to administer oaths for use in the United States District Court for the Northern District of Illinois. (S.) Pauline W. Little, Notary Public. My commission expires December 12th, 1933. (Seal.)

[fol. 1804] [File endorsement omitted]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

INTERVENER-APPELLANT'S PRÆCIPE—Filed May 13, 1931

To the Clerk of the said Court:

In addition to any portions of the record which may be designated or stipulated by Appellant, United States of

America, this Intervener-Appellant, National Wholesale Grocers' Association of the United States, desires the following portions of the record in the above entitled cause to be incorporated into the transcript on its appeal to the Supreme Court of the United States, namely:

1. Memorandum decision by Mr. Justice Stafford, filed November 1, 1921, on motion of United States of America to strike petition to intervene.

2. Order filed November 5, 1921 by Mr. Justice Stafford allowing National Wholesale Grocers' Association of the United States to intervene herein.

3. Memorandum Opinion by Mr. Justice Bailey, filed herein April 23, 1925.

4. Decree suspending in whole operation of Consent Decree, filed May 1, 1925.

5. Motions of this intervener, filed April 12, 1930, to dismiss the amended petitions of Swift & Company and of Armour & Company, defendants herein.

[fol. 1805] 6. Memorandum opinion of Mr. Justice Bailey of this Court, filed June 28, 1930, overruling motions of American Wholesale Grocers' Association and National Wholesale Grocers' Association of the United States, interveners, to dismiss defendants' amended petitions.

7. Order of this Court, filed July 3, 1930, overruling said interveners' motions to dismiss the amended petitions of defendants.

8. Answers of this intervener filed July 22nd, 1930 to amended petitions of defendants, Swift & Company and others, and Armour & Company, and others, for modification of the Consent Decree of February 27, 1920.

9. Motion of intervener-appellant, National Wholesale Grocers' Association of the United States, to dismiss amended petitions of defendants, the Court's ruling thereon and the exception noted, being page 45 of the official stenographic report of the proceeding herein.

10. Objections of intervener-appellant, National Wholesale Grocers' Association of the United States to testimony, the Court's ruling thereon and the exception to such

ruling, being pages 88 and 89 of the official stenographic report of the proceeding herein.

11. Formal objections of intervener-appellant, National Wholesale Grocers' Association of the United States, to testimony, being pages 274-277, inclusive, of the official stenographic report of the proceeding herein.

12. Proposed Findings of Fact in behalf of American Wholesale Grocers' Association and National Wholesale Grocers' Association dated December 1, 1930, and submitted herein.

[fol. 1806] 13. Intervener-appellants' exceptions filed March 30, 1931 to this Court's findings of fact and conclusions of law.

14. This intervener's petition for appeal, the order of this Court thereon, this intervener's citation on appeal and its notice of appeal, and the acknowledgments and proofs of service thereof.

15. This intervener's assignment of errors on appeal and proofs of service thereof.

16. This præcipe, and notice of filing of this præcipe with the acknowledgments or proofs of service thereof.

17. Orders extending the time of intervener-appellant, National Wholesale Grocers' Association of the United States for filing this præcipe and for docketing the case with the Clerk of the Supreme Court of the United States.

It is respectfully requested that such of the foregoing portions of the record as may be designated by other attorneys shall, notwithstanding this designation here, be copied only once in the transcript of record.

Dated May 13, 1931.

William C. Breed, Breed, Abbott & Morgan, Attorneys for Intervener-Appellant, National Wholesale Grocers' Association of the United States, 15 Broad Street, New York, N. Y.

[fol. 1807] [File endorsement omitted]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

NOTICE OF FILING PRÆCIPE—Filed May 13, 1931

Please take notice that on the 13th day of May, 1931, we filed with the Clerk of the Supreme Court of the District of Columbia, a præcipe, designating the portions of the record to be transmitted to the Supreme Court of the United States on the appeal taken by Intervener-Appellant, National Wholesale Grocers' Association of the United States, in the above cause, a copy of which præcipe is hereto annexed and herewith served upon you.

Dated May 13th, 1931.

William C. Breed, Breed, Abbott & Morgan, Attorneys for Intervener-Appellant, National Wholesale Grocers' Association of the United States, 15 Broad Street, New York, N. Y.

[fol. 1808] [File endorsement omitted]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

ACKNOWLEDGMENT OF SERVICE—Filed May 15, 1931

We hereby acknowledge due and timely service of a copy of the præcipe filed by Intervener-Appellant, National Wholesale Grocers' Association of the United States, and of the notice of filing of said præcipe.

H. B. Teegarden, Special Assistant to the Attorney General, for United States of America, Co-appellant. Date served: May 13, 1931. Edgar Watkins, Attorneys for American Wholesale Grocers Association and the Other Persons, Firms, and Corporations Named Therewith in the Petition, Interveners and Co-Appellants. Date served:

May 15, 1931. Frank J. Hogan, Nelson T. Hartson, Attorneys for Defendants Armour & Company and Others Named Therewith in Petition of the United States of America Filed Herein and Yet Remaining Defendants. Date served: May 13, 1931. Frank J. Hogan, Nelson T. Hartson, Attorneys for Defendants Swift & Company and Others Named Therewith in Petition of the United States of America Filed Herein and Yet Remaining Defendants. Date served: May 13, 1931. J. Harry Covington, Attorneys for Defendants Cudahy Packing Company and Others Named Therewith in Petition of the United States of America Filed Herein and Yet Remaining Defendants. Date served: May 15, 1931.

[fol. 1809] [File endorsement omitted.]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

ACKNOWLEDGMENT OF SERVICE—Filed May 22, 1931

We hereby acknowledge due and timely service of a copy of the præcipe filed by Intervener-Appellant, National Wholesale Grocers' Association of the United States, and of the notice of filing of said præcipe.

May 19th, 1931.

W. R. Brown, James D. Cooney, Attorneys for New York-Wilson Company (Formerly Wilson & Co., Inc., a New York Corporation), Wilson & Co., Inc., of California; Wilson & Co., Inc., of Louisiana; Wilson & Co., Inc., of Oklahoma; Gotham Hotel Supply Company, Inc., Drexel Packing Co., Albert Lea Packing Company, Inc., Hermitage Lard Company (Formerly Mississippi Packing Company, Inc.), Morton-Gregson Company, said Parties being All of the Parties for Whom said W. R. Brown and/or J. D. Cooney Appeared in the Present Proceeding. Date served: May 19th, 1931. Nelson Morris, Nelson Morris, pro Se. Date

served: May 19th, 1931. —— ——, Attorney for Such of the Morris Group for Which He Has Entered His Appearance and as to Whom the Decree Has Been Suspended. Date served: May —, 1931.

[fol. 1810] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

AFFIDAVIT OF SERVICE

STATE OF ILLINOIS,
County of Cook, ss:

William Burke Williamson, of Chicago, Illinois, in the Northern District of Illinois, Eastern Division, being first duly sworn on oath, deposes and says that on May 19, 1931, he personally served the documents hereinafter listed upon John M. Lee, Suite 1659, First National Bank Building, 38 South Dearborn Street, Chicago, Illinois, by informing him of the contents thereof and by leaving with him true copies thereof; that he served the documents as aforesaid on behalf of the National Wholesale Grocers' Association of the United States, Intervener-Appellant in the above entitled cause, said documents being as follows: Præcipe filed by intervener-appellant National Wholesale Grocers' Association of the United States, Notice of Filing Præcipe.

This deponent further says that each and every one of said documents listed above has been filed in the office of the Clerk of the Supreme Court of the District of Columbia.

William Burke Williamson.

Subscribed and sworn to this 20th day of May, 1931, before me, a Notary Public in and for the County of Cook and State of Illinois and a person authorized to administer oaths for use in the United [fol. 1811] States District Court for the Northern District of Illinois.

Pauline W. Little, Notary Public. My commission expires December 12th, 1933. (Seal of Pauline W. Little, Notary Public, Cook County, Ill.

[fol. 1812] IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

ORDER RE TRANSCRIPT OF RECORD

This cause came on for further hearing on application of the United States for an order approving the narrative statement of evidence filed herein, and for an order to certify exhibits to the Supreme Court of the United States; and the Court being fully advised in the premises, and the parties having consented thereto, it is hereby Ordered:

1. That the narrative statement of evidence filed herein, which, together with the exhibits to be certified separately to the Supreme Court of the United States, constitutes a true and complete statement of all the evidence introduced in this cause, be, and the same is, hereby approved.

2. That the Clerk of this Court, in preparing the transcript of the record on appeal to the Supreme Court of the United States, shall certify and transmit to the Clerk of the Supreme Court of the United States, together with the transcript of record, the Petitioner's Exhibits and Government's Exhibits as are below designated by number, only such exhibits or portions thereof as are respectively below [fol. 1813] indicated to be printed as part of the record; but that the parties hereto shall be free to reproduce in their briefs, or to refer in their briefs or arguments to, any portions of said designated exhibits as are not printed, as though they were printed as part of the record.

Petitioner's exhibits designated	Portions to be printed
1, 2	None
3, 4	In full
6	None
7	Title page and pp. 3, 4, 9, and 10
8, 9	None
10	In full
11-21, incl.	None
23-38, incl.	None
42-45, incl.	None
46-48, incl.	In full
49	Title page and pp. 10 and 11

Petitioner's exhibits designated	Portions to be printed
50-56, incl.	None
57	In full
58-61, incl.	None
66-67	None
69-74, incl.	In full
75-84, incl.	None
85, 86	In full
88	None
89, 90	In full
105-114, incl.	In full
115-118, incl.	None
119-124, incl.	In full
125, 126	None
[fol. 1814] 127	In full
126-134, incl.	None
135-146, incl.	In full
147-152, incl.	None
153	In full
154	None
155	In full
156	None
157-159, incl.	In full
160-164, incl.	None
165, 166, 166A	In full
167, 172, 173	None
Government's exhibits designated	
4, 5, 6	In full
7 to 27, incl.	In full
28	None
29 to 31, incl.	In full
94, 100, 101	None

Dated December 8, 1931.

Jennings Bailey, Justice.

Consented to.

John Lord O'Brian, John Lord O'Brian, The Assistant to the Attorney General. Edgar Watkins, Counsel for American Wholesale Grocers' Association. Breed, Abbott & Morgan, Frank K. Nebeker, Counsel for National Wholesale Grocers' Association. Frank J. Hogan, Nelson T. Hartson, Counsel for Petitioning Defendants.

[fol. 1815] [File endorsement omitted]

IN SUPREME COURT OF THE DISTRICT OF COLUMBIA

[Title omitted]

PRÆCIPE OF SWIFT & COMPANY ET AL. AND ARMOUR AND COMPANY ET AL. FOR DESIGNATION OF ADDITIONAL PARTS OF RECORD ON APPEAL TO THE SUPREME COURT OF THE UNITED STATES—Filed Aug. 20, 1931

To the Clerk of said Court:

Swift & Company, et al. and Armour and Company, et al. Appellees, request that the following portions of the record in the above entitled cause be incorporated into the transcript of record on appeal to the Supreme Court of the United States, in addition to those portions of the record designated in the præcipe heretofore filed herein by the Appellants, United States of America, American Wholesale Grocers Association and National Wholesale Grocers Association:

1. Petition of George B. Robbins filed June 30, 1921, to suspend the decree of February 27, 1920.
2. Order entered June 30, 1921, suspending the operation of the decree of February 27, 1920 as to George B. Robbins.
3. Petition of Robert J. Dunham filed June 30, 1921, to suspend the decree of February 27, 1920.
4. Order entered June 30, 1921, suspending the operation of the decree of February 27, 1920 as to Robert J. Dunham.
5. Petition of Fred L. Washburn filed June 30, 1921, to suspend the decree of February 27, 1920.
6. Order entered June 30, 1921, suspending the operation of the decree of February 27, 1920 as to Fred L. Washburn.
7. Order entered September 10, 1921, granting leave to Southern Wholesale Grocers Association to intervene.
8. Petition of National Wholesale Grocers Association filed September 19, 1921, for leave to intervene.
9. Petition in intervention of National Wholesale Grocers Association filed November 8, 1921.

10. Order entered May 1, 1925, suspending, as a whole, the operation of the decree of February 27, 1920..

11. Petition of Swift & Company filed July 24, 1929, to extend time for compliance with decree of February 27, 1920.

[fol. 1816] 12. Petition of Armour and Company filed July 24, 1929, to extend time for compliance with decree of February 27, 1920.

13. Decree entered July 24, 1929 on mandate of Supreme Court of the United States.

14. Order entered October 1, 1929, extending time for hearings on petitions of Swift & Company and Armour and Company to extend time for compliance with decree of February 27, 1920.

15. Petition of American Food Products Company, et al., filed October 2, 1929, for suspension of decree of February 27, 1920, as to Morris defendants.

16. Order entered October 2, 1929, suspending decree of February 27, 1920, as to Morris defendants.

17. Order entered November 4, 1929, extending time for hearings on petitions of Swift & Company and Armour and Company to extend time for compliance with decree of February 27, 1920.

18. Order entered November 13, 1929, extending time for hearings on petitions of Swift & Company and Armour and Company to extend time for compliance with decree of February 27, 1920.

19. Order entered December 19, 1929, extending time for hearings on petitions of Swift & Company and Armour and Company to extend time for compliance with decree of February 27, 1920.

20. Consents of Western Meat Company, et al. and New England Dressed Meat & Wool Company, et al. filed April 18, 1930, to modification of decree of February 27, 1920.

21. Opinion of Court filed June 28, 1930, overruling motion of American Wholesale Grocers Association and National Wholesale Grocers Association to strike the amended petitions of Swift & Company, et al. and Armour and Company, et al. for modification of the decree of February 27, 1920.

22. Order entered July 3, 1930, overruling motion of American Wholesale Grocers Association and National

Wholesale Grocers Association to strike the amended petitions of Swift & Company and Armour and Company for modification of the decree of February 27, 1920.

23. Petitioner's Exhibits Nos. 1, 2, 5, 6, 8, 9; 11 to 32, both inclusive; 40, 41, 58, 59 and 60, 61, 66, 67; 75 to 84, both inclusive; 87; 129 to 134, both inclusive; and 168 to 180, both inclusive.

24. Letter from Attorney General of United States to the President of the Senate, dated July 11, 1930, which is quoted in part at pages 69 to 70 of the record; also statements of court and reply of Government counsel relating to said [fol. 1817] letter at page 273 of the record.

25. This præcipe for designation of record.

Frank J. Hogan, Henry Veeder, Chas. J. Faulkner, Paul M. Godehn, & Nelson T. Hartson, Counsel for Swift & Company et al. and Armour and Company et al., Appellees.

Service of the foregoing præcipe is hereby acknowledged this 20th day of August, 1931.

John Lord O'Brian, The Assistant to the Attorney General, Counsel for the United States of America. Edgar Watkins, Counsel for American Wholesale Grocers Association. Frank K. Nebeker, Counsel for National Wholesale Grocers Association.

[fol. 1818] In Supreme Court of the District of Columbia

[Title omitted]

Stipulation for Inclusion of Exhibits in Record in Supreme Court

Petitioning defendants' exhibits numbered 76, 77, and 173, having been misplaced, it is hereby stipulated and agreed by and between the parties hereto, that at any time within thirty days before the oral argument of this cause, duplicate copies of said exhibits or such summaries of the relevant portions thereof as may be agreed upon by the parties hereto may be filed as part of the record of this cause in the Supreme Court of the United States with the

same force and effect as if filed at the time of the docketing of this cause.

John Lord O'Brian, John Lord O'Brian, The Assistant to the Attorney General. Frank J. Hogan, Nelson T. Hartson, Attorneys for Petitioning Defendants.

December 8, 1931.

[fol. 1819] MEMORANDA

March 31, 1931.—Time for docketing case with Clerk of the Supreme Court of the United States, extended from day to day to and including December 24, 1931.

Orders extending time for filing with Clerk Præcipes Designating Portions of the Record, filed from time to time.

[fols. 1820 & 1821] Clerk's certificate to foregoing transcript omitted in printing.

[fol. 1822] IN SUPREME COURT OF THE UNITED STATES, OCTOBER TERM, 1931

No. 568

UNITED STATES OF AMERICA, Appellant,

v.

SWIFT & COMPANY et al.

On Appeal from the Supreme Court of the District of Columbia

STATEMENT OF POINTS TO BE RELIED UPON AND DESIGNATION OF THE PARTS OF THE RECORD TO BE PRINTED—Filed Dec. 11, 1931

I. Now comes the United States of America, appellant in the above-entitled cause, and pursuant to paragraph 9 of

rule 13 of this court states that the points upon which it intends to rely in this court in this cause are as follows:

1. That the Supreme Court of the District of Columbia erred in failing to dismiss the amended petitions herein of Swift & Company and others and of Armour & Company and others, for want of equity.

2. That said court erroneously found that there were proved any changes in conditions affecting the power of the defendants named in the consent decree of February 27, 1920, to restrain or monopolize interstate trade or commerce since the entry of the original decree sufficient to justify the modification thereof.

[fol. 1823] 3. That the findings of fact of the said court fail to support its conclusions of law.

4. That the findings of fact of the said court numbered 3, 5, 6, 11, 12, 13, 17, and 18 are not supported by substantial evidence.

5. That the conclusions of law of said court are not supported by any findings of fact supported by substantial evidence.

6. That the said court erred in finding that during the past ten years the increase in the use of motor trucks for the transportation of food products and the extending of the areas of their operation by reason of the great increase in good roads, and the increase in the transporting by motor truck of products by packers competing with defendants named in the aforementioned consent decree and by wholesale grocers in making deliveries to their customers, have combined to deprive defendants named in the aforementioned consent decree of any advantage which the ownership of refrigerator cars formerly gave them; and that none of the defendants named in the aforementioned consent decree enjoys any undue preference or advantage by reason of its ownership of refrigerator cars.

7. That the said court erred in failing to find, although the fact appears upon all of the evidence, that the use by the defendants named in the aforementioned consent decree of their distributive facilities in the handling of the commodities specified in paragraphs Fourth and Fifth of the aforementioned consent decree is a more potent instrument

of monopoly at the present time than when the decree was entered.

8. That the said court erred in failing to find, although the fact appears upon all the evidence, that no substantial diminution, either relative or absolute, in the power and size of the defendants named in the aforementioned consent decree has occurred since the entry of the aforementioned consent decree.

[fol. 1824] 9. That the said court erred in failing to find, although the fact appears upon all the evidence, that the strength and power of the defendants named in the aforementioned consent decree, both relative and absolute, has increased since the entry of the aforementioned consent decree.

10. That the said court erred in finding, in the absence of substantial evidence, that if defendants named in the aforementioned consent decree were to engage in handling food products additional to products they are now dealing in, there is no probability that they could or would acquire a monopoly of or control the quantity and prices of the food produced and/or consumed in the United States.

11. That the said court erred in finding, in the absence of substantial evidence, that since 1920 conditions have materially changed in the methods of marketing food products by reason of the engaging by concerns retailing food on large scale in the functions usual to wholesale and branch house distribution, and in the functions of manufacturing and processing meat products and other foods.

12. That the said court erred in finding that the passage of the Packers and Stockyards Act, 1921, constitutes a change which would greatly limit the power of defendants named in the aforementioned consent decree to acquire a monopoly.

13. That the said court erred in concluding that none of the defendants named in the aforementioned consent decree is now engaged in violating, attempting, or threatening, to violate any of the provisions of the antitrust laws of the United States.

II. And the United States of America, appellant, further states that the entire record in this cause as filed in this

court is necessary for the consideration of the foregoing points, and that the transcript of record should be printed by the clerk of this court for the hearing in this cause in its entirety, together with those of the exhibits which have been certified to this court separately from the transcript of [fol. 1825] record, which, in the order of the Supreme Court of the District of Columbia, entitled, "Order Re Transcript of Record," dated December 8, 1931, are designated to be printed; and which are bound in two separate volumes entitled, respectively, "Petitioners' Exhibits To Be Printed," and "Government's Exhibits To Be Printed." This designation for printing is made without prejudice to the right of appellant to refer in its brief or upon argument to any of the original exhibits which have been transmitted to the clerk of this court by the clerk of the Supreme Court of the District of Columbia.

Respectfully submitted.

Thomas D. Thacher, Thomas D. Thacher, Solicitor General. John Lord O'Brian, The Assistant to the Attorney General. Hammond E. Chaffetz, Special Assistant to the Attorney General.

Service of the foregoing statement of points to be relied upon by the United States upon the appeal herein, and designation of parts of the record to be printed, and receipt of a copy hereof, are hereby admitted and acknowledged:

Frank J. Hogan, Nelson T. Hartson, Counsel for Appellees Swift & Company et al. and Armour & Company et al.

Dated Dec. 11th, 1931.

William C. Breed, Counsel for National Wholesale Grocers' Association.

Dated Dec. 11th, 1931.

Edgar Watkins, Counsel for American Wholesale Grocers' Association.

Dated Dec. 11th, 1931.

[fol. 1826] [Endorsed:] Form No. 680. No. —. In the Supreme Court of the United States. United States of

America, appellant, vs. Swift & Company et al., appellees. Statement of points to be relied upon and designation of parts of the record to be printed.

[fols. 1827 & 1828] [File endorsement omitted.]

[fol. 1829] In Supreme Court of the United States, October Term, 1931

No. 569

American Wholesale Grocers Association et al., Appellants,

vs.

Swift & Company et al., Appellees

Statement of Points to be Relied Upon and Designation as to Printing Record—Filed Dec. 11, 1931

Come now American Wholesale Grocers Association, Henry G. Sears & Company, of Massachusetts, John Hoffman & Sons, of Wisconsin, Mason Ehrman & Company, of Oregon, J. H. Radford Grocery Company, of Texas, Southern Distributing Company, of Virginia, Hall Grocery Company, of Arkansas, Albert Mackie & Co., Ltd., of Louisiana, Hicks Company, of Louisiana, Rapides Grocery Company, Inc., of Louisiana, and Oliver Finnie Grocery Company, of Tennessee, appellants in the above entitled cause and state the points on which they intend to rely in this court in this case are as follows:

1. The court below lacked jurisdiction to enter its order appealed from in which the consent decree herein was modified because:

A. Petitioners therefor, appellees here, having delayed the filing of their petitions for more than nine years after the expiration of the term of the court at which the said decree was entered, the court had lost jurisdiction.

B. The decree modified being a consent decree, the trial court had no jurisdiction to modify the same without the

consent to the particular modification by the parties to the decree.

2. There was no substantial evidence and no findings of fact justifying the modification.

[fol. 1830] 3. The evidence and the findings of the court show continuing danger of monopoly and restraint of trade.

4. Petitioners, appellees here, relying on changed conditions wholly fail fairly to disclose the conditions prior to the entry of the decree.

5. The court having found numerous violations of the law against restraint of trade and monopolies, erred in disregarding such violations because not shown to have been authorized by or known to the executive officers of appellees.

6. Petitioners, appellees here, having received benefits from their consent to the decree modified herein, could not equitably while continuing to keep such advantages ask for a modification.

7. The evidence showing without dispute that petitioners, appellees here, obtained advantages from the use of peddler cars, it was error to permit them to retain such advantages and enter into competition contrary to their original consent decree.

8. Because the court erred in treating the extension of the business of chain stores as a ground for modification of the consent decree.

9. Because the court having found that appellees, petitioners below, had failed fully to disclose their condition, the court erred in granting the relief prayed for herein.

10. Because the findings of fact of the trial judge were not fully supported by the evidence and because the court erred in not making additional findings of fact which he was requested to make.

The foregoing points summarize the assignment of errors made by these appellants and appellants rely upon such assignments copied in the transcript herein.

[fol. 1831] Parts of the Record Necessary to be Printed

Other appellants have specified the parts of the record necessary to be printed and these specifications cover all the record necessary for the understanding of the issues made on this appeal and it is unnecessary to reprint such parts.

Respectfully submitted.

Edgar Watkins, Attorney for American Wholesale Grocers Association et al., Appellants, Atlanta, Georgia.

Service of the foregoing statement of points to be relied upon by the American Wholesale Grocers' Association upon the appeal herein, and designation of parts of the record to be printed, and receipt of a copy hereof, are hereby admitted and acknowledged.

Hammmond E. Chaffet, Special Assistant to the Attorney General.

Dated December 11, 1931.

Frank J. Hogan, Nelson T. Hartson, Counsel for Appellees Swift & Company et al. and Armour & Company et al.

Dated December 11, 1931.

William C. Breed, Counsel for National Wholesale Grocers' Association.

Dated December 11, 1931.

[fol. 1832] [File endorsement omitted.]

[fol. 1833] In Supreme Court of the United States, October Term, 1931

No. 570

National Wholesale Grocers Association,

against

Swift & Company et al.

Statement under Rule 13, Paragraph 9, by Intervener-appellant, National Wholesale Grocers' Association of the United States—Filed Dec. 11, 1931

I. The intervener-appellant, National Wholesale Grocers Association of the United States, hereby submits as the

statement of points on which it intends to rely, the following:

1. The court below had no power or jurisdiction, without the consent of the Government, which was not given, to modify the Consent Decree entered herein on February 27, 1920, and, consequently, should have granted the motion of this intervener for dismissal of the amended petitions.

2. The amended petitions did not state facts sufficient to entitle the petitioners to the relief granted below, or to any relief, and the motion of this intervener to dismiss said amended petitions on that ground should have been granted.

3. The petitioners have no standing to ask a court of equity to relieve them of the burdens imposed upon them by the decree of February 27, 1920, which was entered upon their consents, because, after receiving all the benefits of the agreement embodied in said decree, they have continuously failed and refused to perform the terms and conditions agreed to by them and, on the contrary, have ceased [fol. 1834] lessly sought to evade and defeat said decree; and the motion of this intervener for dismissal of the amended petitions for lack of equity should have been granted.

4. The evidence did not justify the modification of the Consent Decree granted by the court below, or any modification thereof.

5. The court below erred in the following respects:

(a) In making and entering the decree appealed from.

(b) In holding that the amended petitions stated facts sufficient to entitle petitioners to the relief granted, or any relief.

(c) In overruling the motions of this intervener to dismiss the amended petitions.

(d) In deciding that the court had power or jurisdiction to modify the Consent Decree and in receiving evidence upon the amended petitions.

(e) In modifying said Consent Decree without the consent of the Government.

(f) In refusing to dismiss the amended petitions for lack of equity.

(g) In not finding and deciding that there is danger of monopoly and restraint of interstate trade and commerce by and on the part of the defendants.

(h) In deciding that the evidence showed such changes in conditions since the entry of the Consent Decree as to justify the modification thereof.

[fol. 1835] (i) In decreeing the modification of said Consent Decree without evidence or findings of fact or conclusions of law justifying such modification.

(j) In granting such modification notwithstanding the finding in its filed opinion and decision herein that there had been on the part of petitioners "a failure to make a full disclosure of the facts" respecting their earnings; the further finding therein that "all the defendants combined control over 70%" of the interstate commerce in meat packing; and the further finding therein that certain of the unfair practices charged by the United States against the petitioners "are substantially true."

(k) In that the court's Findings of Fact, and particularly Findings numbered 5, 12 (e), 13, 17, 18 and 21, are not supported by the evidence; and in that Findings numbered 5 and 13 are at variance with the Findings stated in the said opinion and decision of the court.

(l) In that the Findings of Fact, and particularly the Findings numbered 12, 13, 17 and 18, are immaterial in so far as they state or indicate that there is no existing monopoly or restraint of interstate trade or commerce on the part of the defendants; and are speculative and at variance with the evidence and with the said opinion and decision as respects future monopoly, domination or restraint of [fol. 1836] interstate trade or commerce by the defendants, and the danger and potentiality thereof; and the court further erred in its Findings of Fact in that there is no evidence that any lack of monopoly or restraint of trade or commerce is not the result of said Consent Decree.

(m) In that the court's Conclusions of Law are erroneous, and particularly in that the Conclusions numbered 1, 6 and 7 are in conflict with the evidence and with the facts found in said opinion and decision and, further, are erroneous for the reason that it is established that the said Consent Decree is essential in order to maintain any existing competitive conditions among the defendants in the food industry, and the further reason that there is no evidence and no Finding of Fact based on evidence showing that the maintenance of said Consent Decree is not essential to prevent monopoly, and restraint of interstate trade or commerce.

(n) In that Conclusions of Law numbered 2 to 7, inclusive, are erroneous statements of law.

(o) In failing to make or to rule upon the proposed findings submitted to the court by this intervener.

(p) In that the Findings of Fact and Conclusions of Law are otherwise erroneous as shown in the exceptions on file herein.

II. This intervener-appellant submits that the parts of the record (in addition to the portions designated by the [fol. 1837] Government) which are necessary for the consideration of the foregoing points are as follows:

1. Memorandum decision by Mr. Justice Stafford, filed November 1, 1921, on motion of United States of America to strike petition to intervene.

2. Order filed November 5, 1921 by Mr. Justice Stafford allowing National Wholesale Grocers' Association of the United States to intervene herein.

3. Memorandum opinion by Mr. Justice Bailey, filed herein April 23, 1925.

4. Decree suspending in whole operation of Consent Decree, filed May 1, 1925.

5. Motions of this intervener, filed April 12, 1930, to dismiss the amended petitions of the defendants herein.

6. Memorandum opinion of Mr. Justice Bailey of this Court, filed June 28, 1930, overruling motions of American Wholesale Grocers' Association and National Wholesale Grocers' Association of the United States, interveners, to dismiss defendants' amended petitions.

7. Order of this Court, filed July 3, 1930, overruling said interveners' motions to dismiss the amended petitions of defendants.

8. Answers of this intervener filed July 22, 1930 to amended petitions of defendants, Swift & Company and others, and Armour & Company, and others, for modification of the Consent Decree of February 27, 1920.

9. Motion of intervener-appellant, National Wholesale Grocers' Association of the United States to dismiss amended petitions of defendants, the Court's ruling thereon and the exception noted, being page 45 of the official stenographic report of the proceeding herein.

[fol. 1838] 10. Objections of intervener-appellant, National Wholesale Grocers' Association of the United States to testimony, the Court's ruling thereon and the exception to such ruling, being pages 88 and 89 of the official stenographic report of the proceeding herein.

11. Formal objections of intervener-appellant, National Wholesale Grocers' Association of the United States to testimony, being pages 274-277, inclusive, of the official stenographic report of the proceeding herein.

12. Proposed Findings of Fact in behalf of American Wholesale Grocers' Association and National Wholesale Grocers' Association dated December 1, 1930.

13. Intervener-appellants' exceptions to this Court's Findings of Fact and Conclusions of law, filed March 30, 1931.

14. This intervener's petition for appeal, the order of this Court thereon, this intervener's citation on appeal and its notice of appeal, and the acknowledgments and proofs of service thereof.

15. This intervener's assignment of errors on appeal and proofs of service thereof.

16. This intervener's præcipe, and notice of filing thereof with the acknowledgments or proofs of service thereof.

17. Orders extending the time of intervener-appellant, National Wholesale Grocers' Association of the United States for filing præcipe and for docketing the case with the Clerk of the Supreme Court of the United States.

The foregoing designation is made subject to the request [fols. 1839 & 1840] that none of the matter designated be printed more than once in the record, and is made without prejudice to the rights of this appellant to refer, in briefs

or upon argument, to any of the original exhibits which have been transmitted to the Clerk of this Court by the Clerk of the Supreme Court of the District of Columbia.

Dated December 10th, 1931.

Respectfully submitted.

William C. Breed, William C. Breed, Breed, Abbott & Morgan, Attorneys for National Wholesale Grocers' Association of the United States.

To Charles Elmore Cropley, Esq., Clerk of the Supreme Court of the United States.

Service of the foregoing statement is hereby acknowledged this 11th day of December, 1931.

John Lord O'Brian, The Assistant to the Attorney General, Counsel for the United States of America. Frank J. Hogan, Nelson T. Hartson, Counsel for Swift & Company et al. and Armour & Company et al., Appellees. Edgar Watkins, Counsel for American Wholesale Grocers' Association.

[fol. 1841] [File endorsement omitted.]

Endorsed on cover: File Nos. 36,382, 36,383, 36,384. District of Columbia Supreme Court. Term No. 568. The United States of America, appellant, vs. Swift & Company et al. Term No. 569. American Wholesale Grocers Association et al., appellants, vs. Swift & Company et al. Term No. 570. National Wholesale Grocers Association, appellant, vs. Swift & Company et al. Filed December 10, 1931. File Nos. 36,382, 36,383, 36,384.